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**UNITED STATES DEPARTMENT OF EDUCATION  
WASHINGTON, D.C. 20006-8501**

January 2000

Dear Applicant:

We are pleased to provide the application booklet for the fiscal year (FY) 2000 Developing Hispanic-Serving Institutions (HSI) Program authorized by Title V of the Higher Education Act of 1965, as amended (HEA). This program assists HSIs in improving and expanding their capacity to serve Hispanic students and low-income individuals.

An eligible HSI may submit an application for a five-year development grant as an individual institution and as part of a cooperative arrangement. An eligible HSI may alternatively submit an application for a one-year planning grant in Fiscal Year 2000.

In order to receive a grant under Title V, an institution of higher education must have applied for and received "designation as an eligible institution." The Department announced applications for the eligibility process in the Federal Register on **December 15, 1999**. If the Department designated your institution eligible in 1999 then you *do not* have to submit eligibility data in 2000, unless you had a Title III grant which ended either on 9/30/1999 or will end on 9/30/2000. Additionally for the Title V program, your institution must meet the specific statutory definition as an HSI.

All applicants should review the regulatory selection criteria 34 CFR Part 606, Sections 606.21 and 606.22, for new grants, as well as the statutory definitions in Title V, Section 502. The statutory regulations are found in this booklet starting on page 40.

Applicants for a five-year development grant must provide detailed budget information for all five years. We will determine the funding levels for each of the five years of the grant award at the time of the initial award. However, the funding for years two through five will be contingent on Congress appropriating sufficient program funds, and on grantees providing evidence of significant project progress.

Dear Applicant Letter - page 2

The Notice Inviting Applications, will soon be published in the Federal Register. A copy of this notice is located on page 29 of this booklet.

Because the 1998 amendments to the HEA contain specific requirements for eligibility for new grants and provide new authorized uses for grant funds, I urge you to carefully read all information contained in this application booklet before preparing your application.

If you have questions, please contact the program staff at (202) 502-7562 or 502-7555.

Best regards,

Claudio R. Prieto  
Deputy Assistant Secretary  
For Higher Education Programs

## **GENERAL INFORMATION**

The Developing Hispanic-Serving Institutions Program (HSI) assists eligible institutions of higher education in improving and expanding their capacity to serve Hispanic and low-income individuals.

The HSI Program has a specific wait out period. An institution that receives a five-year individual grant under Title V is not eligible to receive an additional development grant until two years after the date on which the five-year grant terminates.

## **DESIGNATION AS AN ELIGIBLE INSTITUTION**

The process for obtaining designation as an eligible institution is separate and apart from the process of applying for a grant award. An institution must submit its request for designation as an eligible institution at the time and in the manner prescribed by the Secretary. The process and deadline for submission of applications for designation as an eligible institution for purposes of Fiscal Year 2000 Title V grant awards was announced in the Federal Register on January 5, 2000.

Only an institution that qualifies as an eligible institution of higher education under Title III of the HEA, as defined by the program regulations, 34 CFR Part 607, specifically sections 607.2 - 607.5, may receive a grant under Title V. The program regulations are located on page 40 of this booklet.

In addition, to be eligible to receive a grant under the HSI program, an institution must meet the statutory definition of an HSI (see Title V, section 502(a)(5) on page 40), and must:

- (1) At the time of application, have an enrollment of undergraduate full-time equivalent students that is at least 25 percent Hispanic students; and
- (2) Assure that not less than 50 percent of its Hispanic students are low-income individuals.

The applicant must submit the Hispanic-Serving Institutions Assurance (ED FORM 851S-7) on page 121 of this package.

## **TYPE OF AWARDS**

Two types of awards are available under the HSI Program – planning grants and development grants. The Secretary will award both one-year planning grants and five-year development grants.

There are two types of development grants – individual development grants and

cooperative (collaborative) arrangement grants. The Secretary will award both types of development grants in FY 2000.

#### Planning Grants

- **Purpose:** A planning grant is awarded to assist an institution in preparing a Comprehensive Development Plan (CDP) and an application for a Title V development grant.
- **Number of applications and duration of grants:**
  - An HSI may submit only one application for a planning grant.
  - An institution may receive a planning grant for a period of one year.
- **Priority:** There are no priorities for planning grants.

#### Individual Development Grants

- **Purpose:** An HSI program development grant supports efforts designed to resolve institutional problems identified in the applicant's Comprehensive Development Plan (CDP). The CDP must include a 5-year plan for improving assistance to Hispanic and other low-income students.
- **Number of applications and duration of grants:**
  - An HSI may not submit more than one application for an individual grant but may also submit an application for a cooperative arrangement development grant. An HSI may receive only one development grant - either as an individual grantee or the lead/designated grantee of a cooperative arrangement. See discussion of cooperative arrangement on page 25.
  - An institution may receive an individual development grant for a period of five years.
- **Priority:** The Secretary shall grant priority to an application that contains satisfactory evidence that the HSI has entered into or will enter into a collaborative arrangement with at least one local educational agency (LEA) or a community-based organization to provide such agency or organization with assistance (using funds other than funds provided under this Title V) in reducing dropout rates for Hispanic students, improving rates of academic achievement for Hispanic students, and increasing the rates at which Hispanic secondary school graduates enroll in higher education. See Section 511 (b) on page 43. As part of its application, the HSI must submit a completed Certification Regarding Collaborative Arrangement (ED FORM 851S-8). See page 123. Included on ED 851S-8 is a description of the terms of the agreement, the role of the applicant institution, and the objectives of the agreement.

#### Cooperative Arrangement Development Grants

- **Purpose:** An HSI program development grant supports efforts designed to resolve institutional problems identified in the applicant's Comprehensive Development Plan (CDP). A cooperative arrangement is an arrangement to carry out allowable grant activities between a Title V eligible institution and another Title V eligible or ineligible

institution, under which the cooperating institutions combine their resources to better achieve program goals and avoid costly duplication of efforts. The CDP must include a 5-year plan for improving assistance to Hispanic and other low-income students.

- **Number of applications and duration of grants:**
  - An HSI may submit a grant application for an individual development grant and an application for a cooperative arrangement development grant. An HSI may receive only one development grant—either as an individual grantee or the lead designated grantee of a cooperative arrangement. See the discussion of a cooperative arrangement on page 25. An institution may not apply as part of more than one cooperative arrangement. As part of its application, the HSI must submit a completed Certification Regarding Collaborative Arrangement (ED FORM 851S-8). See page 123. Include on ED 851S-8 a description of the terms of the agreement, the role of the applicant institution, and the objectives of the agreement.
  - An institution may receive a cooperative arrangement development grant for a period of five years.
- **Priority:** Among applications for cooperative arrangement grants, the Secretary gives priority to proposed cooperative arrangements that are geographically and economically sound, or will benefit the institutions applying for the grant.

## **ALLOWABLE AND UNALLOWABLE ACTIVITIES AND COSTS**

The applicant may propose to conduct one activity or more than one activity under a development grant. If the institution submits an application with more than one activity, the activities need not relate to one another. The institution may propose that separate activities begin and end at different dates, and that the duration of activities be different. To obtain a thorough understanding of the types of activities and costs allowed and not allowed under a grant, review the program regulations (page 40) in 34 CFR 606.10 and 606.30.

In accordance with program statute and regulations, development grant funds may be used to address a wide variety of activities. The authorized activities are listed in the HEA. For a more extensive description, refer to the HEA section 503(b) on page 42. Activities include:

- Acquisition of scientific or laboratory equipment for educational purposes;
- Improvements to physical classrooms, libraries, laboratories and other instruction facilities to include construction, maintenance or renovation;
- Faculty development;
- Curriculum development and academic instruction;
- Acquisition of library and educational materials, including telecommunications



- program material;
- Student services;
- Funds and administrative management including acquisition of equipment for use in strengthening management of funds;
- Joint use of facilities, such as laboratories and libraries;
- Acquisition of equipment for use in strengthening management of funds;
- Establishment or improvement of a development office to enhance or increase contributions;
- Establishment or increase of endowment fund (*See the discussion below*);
- Establishment or improvement of facilities for Internet or other distance learning academic instruction capabilities, including acquisition of telecommunications technology equipment or other services;
- Establishment or improvement of teacher education programs that will qualify students to teach in elementary and secondary public schools;
- Establishment of community outreach programs for elementary and secondary students that develop academic skill and promote an interest to pursue postsecondary education;
- Increase the number of Hispanic and other underrepresented graduate and professional students by expanding courses and institutional resources; and,
- Other activities that contribute to the purposes of the program.

**NOTE:** An institution may not use *development* grant funds for intensive planning activities. As part of developing the CDP and the application, it is presumed that the institution has already analyzed the major problems affecting the institution and designed specific strategies to attack and possibly resolve these problems. An institution should be ready to carry out the proposed development grant project upon receipt of a grant award.

### **Grant Award Funds for Endowments, Special Provisions**

- **Purpose**
  - The purpose of allowing an institution to use a portion of the grant monies for its endowment fund is to assist an institution in establishing or increasing its endowment fund, to provide additional incentives to promote fund raising activities, and to foster increased independence and self-sufficiency of the institution.
  - An institution may use up to 20 percent of development grant funds awarded under the HSI Program for its endowment fund. If the institution proposes to use a portion of the grant award funds for endowment purposes, the institution must complete FORM ED 851S-9 (page 124), and return it with the application.
- **Matching Requirements**

A grantee under the HSI Program may use up to 20 percent of a development grant award to establish or increase an endowment fund. The grantee must provide

matching funds from non-Federal sources of at least one dollar for every dollar of grant funds requested.

- **Investment Requirements**

A grantee must invest the total amount - grant funds and matching funds - for 20 years. During that 20 year period, the institution may spend up to 50 percent of the cumulative income (appreciation, interest and dividends) earned on the investment. At the end of the 20 years, the institution may spend both the principal and the income. An HSI that plans to use grant funds for endowment purposes must complete FORM ED 851S-9, and return it with the application.

### **Tie-Breaker Mechanism**

The program regulations provide a tie-breaker mechanism in 34 CFR 606.23(b) (page 46) which the Department will use when it needs to determine which institution(s) will receive an award in instances where two or more institutions have the same score and funds are insufficient to fund all institutions. Under the tiebreaker mechanism, we award up to three points to applicants that submit data demonstrating that the institution:

- (1) has an endowment fund for which the market value, per full-time equivalent (FTE) student, is less than average market value, per FTE student, at similar type institutions;
- (2) has expenditures for library materials, per FTE student, which are less than the average such expenditures at similar institutions; or
- (3) proposes to carry out one or more allowable activities provided in the statute.

For purposes of these funding considerations, an applicant must be able to demonstrate that the current market value of its endowment fund per FTE student, or expenditures for library materials per FTE student, is less than the national average described in a notice of closing date announcing the availability of new awards and published in the Federal Register. An applicant must also fulfill the requirements of (3) above.

If a tie still remains after applying the criteria in (1), (2), and (3), an extended tiebreaker mechanism is used. Under the extended tiebreaker mechanism, the Secretary determines which institution(s) will receive an award based on a combined ranking of two-year and four-year institutions. Those institutions whose combined FTE averages of library expenditures and endowment values are the lowest are ranked highest, in strict numerical order.

Note: Institutions are encouraged to be certain that the second page of the Application for Federal Education Assistance Form (ED 424) is completed. This page contains information about student enrollment, library expenditures and endowment value which is

the data used in the tiebreaker mechanism.

## **PERFORMANCE REPORTS**

### **Progress Report**

An institution that receives a development grant award must report on the progress that it makes in meeting the goals of the project, and the timeline set forth in the grant application.

A progress report is required annually. An institution interested in reviewing a copy of the annual performance report should call (202) 502-7562 and request a copy of the report (OMB No. 1880-0538). Institutions are encouraged to review this report at the beginning of the grant period.

### **Final Report**

An institution that receives a grant award must submit a final performance report within 90 days after the completion of the project period or termination of the grant award.

Development grant recipients must report the extent to which they achieved the objectives of the development activities, and the impact of the activities on institutional growth and self-sufficiency. In addition, the grantee must report the extent to which it institutionalized the funded activities as part of its regular program.

In order to be prepared to submit a quality final report, an institution should establish measurable objectives in its application for a grant award, and should include objectives that are defined in terms of the results or outcomes expected for each activity. The institution's application should include an evaluation plan that will assist it in comparing "what was" to "what is", that will document performance outcomes, and that will assess the impact of the project on institutional development. The "Final Performance Report" booklet, OMB Number 1840-0649, contains the specific requirements for submitting a final report. Interested persons may obtain a copy of this booklet, by calling (202) 502-7562. Institutions are encouraged to review this report at some point during the project period.

### **Department of Education Strategic Plan Performance Indicators**

Please review the discussion of the Government Performance and Results Act and the Department's Strategic Plan Performance Indicators for HSIs on page 139. All institutions will be notified when they are required to report on these indicators and the format to be used.

## GENERAL INSTRUCTIONS

### REVIEW THE APPLICATION BOOKLET

Before developing an application, please read all the materials contained in this application booklet, including the appendices. The Higher Education Amendments of 1998 made significant changes to the HSI program – including moving the statutory authority from Title III of the HEA to the new Title V. The statutory provisions in Title V differ significantly from the statutory provisions under Title III (where the HSI program was previously authorized). The Title III program is governed by regulations in Part 607 (page 59) and the Title V program is governed by regulations in Part 606 (page 46). The Title V statute supercedes the regulations in instances where inconsistencies exist.

#### Technical notes

- Type all narratives in font size 12, double-spaced (except for the project abstract) on plain white or off-white bond paper.
- Type on one side of the page only. Do not type on the back of pages.
- Type the name of the institution at the top of each page.
- Number the pages consecutively, with the Application for Federal Education Assistance Form (ED 424) labeled as "page 1." Complete the front and back of ED 424. ED 424 will serve as the cover page for the application.
- Page limits for the application narrative are as follows (an application narrative includes the institutional narrative, the comprehensive development plan, activity narratives, and the project management narrative):
  - The narrative of a development grant application may not exceed 60 pages. Additionally, essential appendices may be attached but may not exceed 5 pages each.
  - The narrative of a cooperative arrangement grant application may not exceed 120 pages. Additionally, essential appendices may be attached but may not exceed 10 pages each.
  - The narrative of a planning grant application may not exceed 20 pages. Additionally, essential appendices may be attached but may not exceed 5 pages each.
- A 'page' is 8.5" x 11", on one side only, with 1" margins top, bottom, right and left.
- You must double-space all text in the application narrative, including titles, headings, footnotes, quotations, references, and captions. However, you may single space charts, forms, tables, figures or graphs.
- You will be submitting both an original hard copy of the application and two diskettes with the application in Word, text (.txt) or pdf format (Macintosh or PC formatted disks will be accepted).

## PREPARING THE FORMS

Complete all required forms. Carefully read the instructions provided for each form and provide all requested information. You may duplicate all forms contained in this booklet or recreate the form using a computer. **Be sure to include all the information if reproducing the forms.**

Assemble the application according to the following outlines:

### PLANNING GRANT OUTLINE

1. Application for Federal Education Assistance Form (ED 424) (front and back)
2. Project Abstract
3. Table of Contents
4. Institutional Narrative
5. Planning Process Narrative
  - Narrative of Rationale for Chosen Implementation Strategy
  - Implementation Strategy and Timetable Form (ED 851S-3)
6. Key Personnel Narrative
7. Management Procedures
8. Budget
  - Summary Budget Form (ED 524)
  - Other Budget Information Form for Summary Budget (ED 851S-6)
9. Hispanic-Serving Institutions Assurance Form (ED Form 8515-7)
10. Assurance and Certification Forms
11. Appendices
  - Resumes of key personnel
  - Other necessary appendices

**PAGE LIMITS:** The narrative is limited to 20 pages. The narrative is described above in items 4-7 (the page limit does not include the pages devoted to the ED FORMS). Each appendix is limited to 5 pages.

## INDIVIDUAL DEVELOPMENT GRANT OUTLINE

1. Application for Federal Education Assistance Form (ED 424) (front and back)
2. Project Abstract
3. Table of Contents
4. Institutional Narrative
5. Comprehensive Development Plan Narrative, including:
  - Analysis of Strengths, Weaknesses and Significant Problems and Description of the Analysis Process
  - Key, Overall Goals for the Institution
  - Measurable Objectives for the Institution
  - Institutionalizing Practices and Improvements
  - Five Year Plan – For Improving the Assistance Provided by the HSI to Hispanic and Other Low-Income Students
6. Proposed Activity Number 1 Narrative including:
  - Narrative Describing Objectives Related to CDP Problem(s)
  - Objectives and Performance Indicators Form (ED 851S-2)
  - Narrative showing relationship of activity objectives to the CDP
  - Implementation Strategy and Timetable Form (ED 851S-3)
  - Narrative of Rationale for Chosen Implementation Strategy
  - Narrative regarding Key Personnel
  - Activity Budget Form (ED 851S-4)
  - Other Budget Information Form for Activity Budgets (ED 851S-5)
7. If there is more than one activity, repeat item 6., above for each activity.
8. Project Management and Evaluation Plan Narrative including:
  - Budget for Project Management/Evaluation
    - Activity Budget Form (ED 851S-4)
    - Other Budget Information Form for Activity Budgets (ED 851S-5)
9. Summary Budget Form (ED 524)
10. Other Budget Information Form for Summary Budget (ED 851S-6)
11. Hispanic-Serving Institutions Assurance Form (ED 851S-7)
12. Certification Regarding Collaborative Arrangement (ED Form 851S-8)
13. The Endowment Fund Assurance Form (ED 851S-9) should be submitted if applicable.
14. Other applicable Assurances and Certification Forms (pages 129-131)
15. Appendices
  - Resumes of key personnel
  - Brief Description of Prior HSI Support and Ranking of Proposed Activities
  - Other necessary appendices

**PAGE LIMITS:** The narrative of an individual development grant is limited to 60 pages. The narrative is described above in items 4-8 (the page limit does not include the pages devoted to the ED FORMS). Each appendix is limited to 5 pages.

## COOPERATIVE ARRANGEMENT DEVELOPMENT GRANT OUTLINE

Submit the application with the same materials in the order identified in 1-15 for the Individual Development Grant on the previous page. Immediately after the Project Abstract (item 2) insert the following items:

- 2.A. Cooperative Arrangement Form (ED 851S-1)
- 2.B. Letters of Commitment
- 2.C. Justification for Funding under a Cooperative Arrangement

**PAGE LIMITS:** The narrative of a cooperative arrangement development grant is limited to 120 pages. The narrative is described in the items 4-8 (the page limit does not include the pages devoted to the ED FORMS, letters of commitment or the justification for funding under a Cooperative Arrangement). Each appendix is limited to 10 pages.

## SUBMITTING THE APPLICATION

Submit the application, one original and two 3 1/2" floppy disks to the Application Control Center in accordance with the "Application Transmittal Instructions" on page 142.

- ◆ Your original application - with the original signature of the institution's president in the appropriate space on the Application for Federal Assistance Form (ED 424) -should be submitted in a spiral bound format or some other format that will ensure that the application stays intact, and that no pages are lost during our handling and review processes. DO NOT SUBMIT YOUR APPLICATION IN A 3-RING BINDER.
- ◆ Each diskette must contain a copy of the entire application for the FY 2000 grant competition, excluding the following forms (which should be included with the original hard copy only): the Application for Federal Education Assistance Form (ED 424), HSI Certification Form (ED 851S-7), the Assurances and Certification Forms and the Endowment Fund Assurance Form (ED 851S-8).
- ◆ The hard copy and the two diskettes must be postmarked on or before the closing date of the competition.

### Label your disks with the following information:

FY 2000 Title V Grant application

Project Director name: \_\_\_\_\_

Project Director email: \_\_\_\_\_

Institution name and mailing address: \_\_\_\_\_

Format of disk and file type: \_\_\_\_\_

PR number: \_\_\_\_\_

(the Application Control Center will fill in the PR number when the application is received)

**Only the Application Control Center may accept applications for Department of Education grants.** Do not send your application to any other government official or office. The Application Control Center will acknowledge receipt of the application by sending the

institution a post card, including a project number assigned to the application , e.g., PO31S555.

### **INTERGOVERNMENTAL REVIEW**

The HSI Program is subject to Executive Order 12372, Intergovernmental Review of Federal Programs. Included in this booklet on page 134 is a listing of the States Single Point of Contact for intergovernmental review. If your State is not listed it does not require intergovernmental review, and the institution does not need to do anything. If your State is listed, contact the person identified by your State to find out the procedure the institution must follow for getting State review of your application.

### **PAPERWORK BURDEN STATEMENT**

According to the paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1840-0114. The time required to complete this information collection is estimated to average 85 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments or concerns regarding the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, D.C. 20202-4651. If you have comments or concerns regarding the status of your individual submission of this form, write directly to: Institutional Development and Undergraduate Education Service, Office of Postsecondary Education, U.S. Department of Education, 1990 K Street NW, Washington, D.C. 20006-8501.



# **HISPANIC SERVING INSTITUTION PROGRAM PLANNING GRANT APPLICATION**

## **INSTRUCTIONS**

In a planning grant application, an institution of higher education describes the planning process by which it will prepare a Comprehensive Development Plan (CDP) and an activity that could be funded under a Title V grant. It is important that the applicant describes the specific planning process in a concise and accurate manner.

Only an individual institution may apply for a planning grant; a cooperative arrangement of multiple institutions is not eligible. Review the regulatory selection criteria, 34 CFR 606.21 to ensure the application for a planning grant addresses the required areas.

Reviewers will be instructed to read up to the stated page limits for planning grants as outlined on page 10.

## **INSTITUTIONAL NARRATIVE**

In the institutional narrative, introduce the college or university to the reader through a description of its most prominent features. Include the institution's mission, level (2 year or 4 year), control (public or private), service area, current program offerings, student characteristics, enrollment figures and trends, and any other information you deem important.

## **PLANNING PROCESS NARRATIVE**

Comprehensively describe, in narrative form, the planning process, i.e., a series of actions or steps that the institution will use to develop the CDP and the rest of the development grant application. Using the Implementation Strategy and Timetable Form (ED 851S-3), chart the major tasks involved in this planning process. Then explain the rationale for the selected planning process as a way of showing the process is based on sound state-of-the-art planning practice that will assist the institution in achieving its intended results.

Describe how the institution will involve, systematically and consistently, the president or chief executive officer, administrators, faculty, staff, students, and governing board members in pertinent phases of the planning process. Describe the institutional resources - including personnel, facilities, monies, and the like – that the institution will use to carry out the planning process successfully.

## **KEY PERSONNEL**

Identify, in narrative form, the key personnel who will perform the project task. The institution should address two accountability factors:

- (1) the suitability of qualifications, including past experience and training of key project personnel to perform the proposed task; and
- (2) the adequacy of time each key person will commit to performing these tasks.

Provide a position description for each key position that grant funds will support, and include resumes in the appendices as necessary of any proposed key project personnel currently employed at the institution. The position description should describe the level of qualifications that will be required and the percentage of the time that the person will allot to the project. If the institution proposes to use a consultant, include a position description and explain why the institution is using a consultant, rather than or in addition to the institution's personnel.

### **MANAGEMENT PROCEDURES**

Describe, in narrative form, the procedures the institution will use to manage, facilitate and monitor the planning process, the formulation of the CDP and the preparation of the rest of the development grant application. Include the provisions for gathering and reporting project information to appropriate decision-makers at the institution.

Provide evidence that the project coordinator will have sufficient administrative authority, including access to the president or chief executive officer, to conduct the project effectively.

### **BUDGET**

The institution will want the budget to correspond to the institution's needs for goods and services, as described in the institutional narrative. Your budget should reflect costs that are necessary and reasonable in today's market place.

Provide your overall one-year budget on the Summary Budget Form (ED FORM 524) and describe the details on the Other Budget Information Form for Summary Budget (ED Form 851S-6).

# INDIVIDUAL DEVELOPMENT GRANT APPLICATION

## INSTRUCTIONS

The application for a development grant should consist of two parts: Part I is the Institutional Narrative and a Comprehensive Development Plan (CDP). Part II is a Description of the Activity (the solution to a problem identified in the CDP) to be conducted under the project and a Plan for Project Management and Evaluation.

Reviewers will be instructed to read up to the stated page limits for planning grants as outlined on page 11.

### PART I -- OVERVIEW OF INSTITUTION

#### INSTITUTIONAL NARRATIVE

In the institutional narrative, familiarize the reader with your institution and provide a frame of reference for the CDP and the activity (ies) presented in the application. Provide a concise description of important, distinguishing features of the institution, including --

- THE MISSION STATEMENT: If the institution's mission statement does not include a description of the level (2-year/4-year), control (private/public) and affiliation of the institution, and its primary service population and programs of study offered (e.g., liberal arts, technical programs), include this information.
- STUDENT BODY CHARACTERISTICS: Include the number of students either full-time equivalent or headcount - and the racial, ethnic, age, and gender breakdown.

NOTE: When reporting racial and ethnic data, the applicant must adhere to the Federal standards for the classification of race and ethnicity, as published in the Federal Register on October 30, 1997 (62 Federal Register 58781-58790).

- FACULTY CHARACTERISTICS: Include the number of full-time and adjunct faculty and faculty to student ratio.

#### COMPREHENSIVE DEVELOPMENT PLAN (CDP) NARRATIVE

Review the specific program regulations that describe the CDP, its content, and evaluation. See 34 CFR 606.8 and 606.22 (page 46).

Use the following headings and provide the information in the order delineated:

**A. ANALYSIS OF INSTITUTIONAL STRENGTHS, WEAKNESSES AND SIGNIFICANT PROBLEMS AND DESCRIPTION OF ANALYSIS PROCESS**

Describe and analyze the strengths, weaknesses and significant problems of the institution -

1. Academic programs,
2. Institutional management, and
3. Fiscal stability

It will be from these weaknesses and problems that the institution will later choose those matters to be addressed with grant funds.

One way to state a problem is to state what is "too high" or what is "too low." For example: "The percentage of freshmen students who fail 4 gateway courses is too high." When the institution states the problem in this manner, the later statement of objectives becomes fairly obvious: "To decrease, from 42% to 30%, the percentage of freshmen students who fail 4 gateway courses."

Avoid problem statements that declare the problem as "the lack of " or " the need for" the very solution that the institution proposed for funding. As an example: "The problem with our academic programs is that there is a lack of or need for student services outside the classroom. Thus, we propose an activity to establish those student services." This type of problem statement usually contains circular reasoning. Because goods or services do not exist does not necessarily justify a need for them. In the example given, the problem may instead be that "too high a percentage of students fail several key, gateway courses." And the solution, chosen from among several alternatives, may be "to develop certain types of student services outside the classroom."

Document the weaknesses and significant problems with data, reports, evaluations or studies that demonstrate that the institution has objectively and thoroughly analyzed these issues. It is important that the institution differentiates between a problem of national scope and the particular problems existing at your institution. While national statistics may provide useful information, you want to focus on presenting pertinent information about your specific institution and its community. Your description and analysis of the institution's weaknesses and significant problems should be sufficient to answer questions such as:

How critical is the weakness or problem relative to the consequence of not taking immediate action to resolve it?

What is the probable cause of the weakness or problem?

Has enough analysis been done concerning the nature and extent of the weakness or problem to suggest the probable solution?

Describe the process used to formulate the above information and provide evidence of the nature and extent of involvement in the process by major constituencies (e.g., faculty, staff, students, community, industry, or the like) of the institution. The institution may rely upon information that is prepared for other purposes, such as a self-study for accreditation, provided that the process used to develop the information involved the major constituencies' representatives and represents the current situation at the institution.

#### **B. KEY OVERALL GOALS FOR THE INSTITUTION**

Based on a comprehensive analysis of the institution's strengths, weaknesses and significant problems, delineate a few key overall goals regarding the institution's academic programs, institutional management and fiscal stability. Example: "By the end of the grant, XYZ University will have significantly reduced student attrition."

Indicate by an asterisk (\*) those goals that will be addressed by activities proposed in the application.

#### **C. MEASUREABLE OBJECTIVES FOR THE INSTITUTION**

Provide measurable objective(s) related to reaching each of the above-identified, key overall goals for the institution. Achieving the objectives outlined should contribute to the growth and self-sufficiency of the institution.

Include a time frame for achieving each objective; it should not exceed the five-year project period.

#### **D. INSTITUTIONALIZING PRACTICES AND IMPROVEMENTS**

Describe the realistic methods you will use - if awarded a development grant - to ensure that you will be able to integrate practices and improvements developed

under the grant project with institutional operations and, if appropriate, to continue them after the expiration of the grant. For example, describe specific actions, and time lines for the actions, that you will take to obtain approval from appropriate internal and/or external governance authorities to conduct new or revised curricula, use new intervention strategies, etc.

Describe the resources that you will need to institutionalize newly developed practices and improvements and, most importantly, how you realistically will provide these resources. In particular, discuss how the institution will get institutional funds to pay for operational costs such as personnel, maintenance, and equipment upgrades. One way of ensuring, for example, institutionalization of positions to be continued after the grant is for your institution to pay a percentage of the salary during the grant and to increase that percentage during years 2, 3, 4 and 5.

Briefly identify –

- The activities that, if funded separately, would be a sound investment of Federal funds; and
- The activities that would be a sound investment of Federal funds only if funded in combination with one or more of the proposed activities.

#### **D. FIVE -YEAR PLAN**

Describe your institution's 5-year plan for improving the assistance it provides to Hispanic and other low-income individuals.

## **PART II -- DEVELOPMENT GRANT SPECIFICS**

### **RANKING ACTIVITIES**

If the institution is requesting funding for more than one activity, rank the activities - excluding project management and evaluation - in the order of preferred funding.

Briefly identify --

1. The activities that, if funded separately, would be a sound investment of Federal funds; and
2. The activities that would be a sound investment of Federal funds only if funded in combination with one or more of the proposed activities.

### **NARRATIVE FOR THE ACTIVITY**

If the institution requests funds for more than one activity, the institution may propose different activity starting and ending dates and may vary the duration of activities. For

example, developing a new curriculum may require a starting date of September 1 and an ending date of August 31, three years later. It may take the institution five years to develop a new management information system using a starting date of January 1 and an ending date of December 31.

Review the regulations describing allowable and unallowable grant activities and the selection criteria used to evaluate applications, 34 CFR 606.10 and 606.22, on page 46.

Note: A proposed activity should address a critical problem that the CDP describes such as limited opportunities for expanding educational access for Hispanic students and other low income individuals and institutional growth.

### **ACTIVITY TITLES**

Title each activity in such a way that the reader knows your focus. Allowable activities include, but are not limited to, the following:

- Faculty Development;
- Funds Management;
- Administrative Management;
- Development of Academic Programs;
- Improvement of Academic Programs;
- Acquisition of Library and Educational Materials (including telecommunications program material);
- Student Services;
- Acquisition of equipment for use in strengthening academic programs;
- Joint Use of Facilities (e.g., laboratories and libraries); and
- Acquisition of Equipment for use in Strengthening Funds Management.

The complete list of allowable activities is contained in section 503 (b) on page 42.

### **ACTIVITY OBJECTIVES**

Using the Activity Objectives and Performance Indicators Form (ED FORM 851S-2), state annual, objectives for each activity that, taken together with their performance indicator(s), are measurable and realistic (not too high, not too low). The objectives of activities should derive from a problem or weakness described in the CDP.

Avoid identifying process objectives (e.g., "To establish a college-wide committee" - whose measurement is "the committee was formed."). If the objective begins with words such as "to provide", "to develop" or "to establish", you are likely to be describing a process or a task rather than an outcome objective. The institution should identify processes or tasks under the Implementation Strategy discussed below.

If the objective has words such as “to increase” or “to decrease” the institution is more likely to be using a genuine, outcome objective.

Provide objectives and performance indicators for each activity and for each year for which the institution is requesting funds for an activity.

Reproduce or create by computer a duplicate of the Activity Objectives and Performance Indicators Form (ED FORM 851S-2), as necessary.

### **NARRATIVE SHOWING RELATIONSHIP OF ACTIVITY OBJECTIVES TO THE CDP**

In narrative form, describe how meeting the objectives of each activity will attack and, perhaps, even solve a problem identified in the CDP. Indicate the impact that meeting the objectives will have on attaining your institution's goals for its academic programs, institutional management, or fiscal stability.

### **IMPLEMENTATION STRATEGY AND TIMETABLE IN CHART FORM**

Using the Implementation Strategy and Timetable Form (ED FORM 851S-3), which the institution may reproduce or create on the computer as necessary, chart an implementation strategy to meet the objectives proposed for each year for which funds are requested and for each activity. Use time frames for completing a task that are realistic. Chart the five years using the budget period of October 1 to September 30.

Using the Implementation Strategy and Timetable Form (ED FORM 851S-3), describe in a comprehensive, sequential and clear manner who will do what, and how it will be done to meet the objectives of each activity.

Identify by title on the form, the primary participants who will carry out the tasks to meet the objectives. Describe on the form, the methods that project personnel will use to perform the tasks and the expected results of performing the tasks.

### **NARRATIVE OF IMPLEMENTATION STRATEGY RATIONALE**

Provide a narrative explaining why the institution chose the specific method for implementing the activity. Explain how it was determined that this method would be most effective. Cite relevant studies or projects that the institution reviewed, experts consulted, etc.

### **NARRATIVE REGARDING KEY PERSONNEL**



Key personnel include the people funded under the grant who bear a substantive responsibility for developing and achieving the objectives of the project. Key personnel may include a position not funded under the grant but funded with the applicant's own funds (e.g., activity director). Key personnel do not include clerical or secretarial positions.

Provide a position description for any key position(s) within an activity. The position description should include the required qualifications -- education, experience, training -- and the specific duties of the position. The duties should be directly related to the stated purposes and objectives of the activity.

Indicate in the position description the percentage of time each key person will commit to the project and the time commitment should be realistic relative to the duties to be performed. Also note the percentage of time each key person will commit to the activity on the Activity Budget Form (ED FORM 851S-4).

If a specific individual has already been designated for a key position, provide a resume as an appendix (5 page limit with a suggested length of 2 pages) for such key personnel, particularly for those persons who will be supported by grant funds.

The resumes of key activity personnel should reflect the person's education, training, and experience - as related to the objectives of the activity.

## **ACTIVITY BUDGET**

Review the program regulations, 34 CFR 606.10 and 606.30 (pages 46) for guidance on the allowable activities and costs. *See also* ALLOWABLE AND UNALLOWABLE ACTIVITIES AND COSTS on page 5.

Note: *An institution may not use grant award funds:*

- to recruit students;
- to carry out activities that are operational rather than developmental;
- to carry out student activities such as entertainment, cultural or social enrichment programs, student publications, social clubs or associations;
- to pay for organized fund raising; or
- to cover indirect costs.

For all costs, demonstrate that they are reasonable in today's market and necessary to accomplish activity objectives. In particular, you should justify any cost exceeding \$25,000 - excluding salaries and fringe benefits.

Using the Activity Budget Form (ED 851S-4) and the Other Budget Information Form (ED

851S-5), provide detailed, itemized budgets for each activity and for project management/evaluation and for each year for which grant funds are sought. Complete a separate ED 851S-4 and ED 851S-5 for each activity and for project management/evaluation. If the institution fails to provide details, we may not be able to determine if the costs requested are necessary and reasonable and we may disallow such costs.

## **PROJECT MANAGEMENT PLAN NARRATIVE**

The project management plan is an integral part of the project. For the project management plan, do not complete an Activity Objectives and Performance Indicators Form (ED 851S-2) nor an Implementation Strategy and Timetable Form (ED 851S-3).

Provide a position description for the Project Coordinator position. Include in the description the required qualifications -- education, experience, training -- and the specific duties of the position. Directly relate the duties to the stated purposes and objectives of the project.

Indicate in the position description and on the Activity Budget Form (ED 851S-4) the percentage of time the Coordinator will commit to the project. Make the time commitment realistic, not too high nor too low, relative to the duties to be performed.

Note: The time commitment of Coordinators at currently existing projects varies considerably. One project focused on developing a management information system, for example, may have a coordinator who is the director of technology in the ordinary hierarchy of the college. He or she may allot 10% time to coordinate the project and the college may pay the 10%. On the other hand, a coordinator at a project focused on faculty development might be a newly hired instructional developer on 50% time commitment paid for with Title III funds. Carefully think through the management structure and time commitment that will work best at your institution and specify the reasons for your choice.

If the institution has already chosen a specific individual for the position of Project Coordinator, provide a resume for the person. Include in the resume the person's education, training, and experience as related to the objectives of the project.

Describe the procedures the project coordinator will use to manage and monitor project progress. Describe the procedures you will use to provide information to key administrators so that they might integrate project activities with related, on-going institutional activities.

Describe the administrative authority of the project coordinator over the activity directors. The activity director normally is the primary person responsible for accomplishing a

specific activity's objectives. Describe the administrative authority of the activity director over subordinates.

Chart the lines of authority of the project coordinator to key institutional decision makers, including the president.

Do not describe the fiscal and accounting procedures in the narrative as the institution will, instead, certify on the Institutional Assurance Form that you will follow adequate fiscal and accounting procedures.

## **EVALUATION PLAN NARRATIVE**

Describe in detail the project's evaluation plan, including the who, what, when and how. The evaluation plan, if followed, should produce a valid assessment of the implementation strategies. It should also result in annual, quantifiable evidence of the attainment of objectives for each activity and of goals in the CDP.

Describe the data elements and data collection procedures the institution will use to measure attainment of activity objectives and of goals identified in the CDP. Describe also the baseline indicators of progress that you will use.

The evaluation plan should describe procedures for analyzing and using both formative and summative data.

While the Department does not require an external evaluation, the institution may find it useful to hire an outside expert to periodically evaluate the project or a particular activity. If the institution proposes hiring an external evaluator, it must justify the costs by stating your reasons for using a consultant.

## **BUDGET FOR PROJECT MANAGEMENT/EVALUATION**

Using the Activity Budget Form (ED 851S-4) and the Other Budget Information Form (ED 851S-5), provide one detailed budget for management/evaluation costs for each year for which grant funds are sought. If the institution fails to provide details, we may be unable to determine if the costs requested are necessary and reasonable and we may disallow the costs.

## **PROJECT SUMMARY BUDGET**

Using the Summary Budget Form (ED 524), prepare a summary budget for the entire project that totals all the costs by category for each year of the grant. Complete a separate Other Budget Information Form for Activity Budgets (ED 851S-5) delineating items common to the entire project's summary budget, and for the use of grant monies for endowment funds. Before

completing any budget forms, read carefully the specific instructions contained in this booklet. Please follow those instructions and check for accuracy for all budget totals within an activity budget and between the activity budget(s) and the summary budget. If any inaccuracies occur, the Education Department may choose the lesser of two budget figures and the applicant institution may lose money it could have otherwise received.

## **INSTITUTIONAL ASSURANCES AND CERTIFICATIONS**

Complete the Institutional Assurances and Certification forms, located in this booklet. Type the name of your institution in the upper right or left margin of the form.

### **HISPANIC-SERVING INSTITUTIONS PROGRAM APPLICANTS**

- An applicant for a development grant program under the Hispanic-Serving Institution Program must meet the legal definition of a HSI, set forth in the statute.
- To establish eligibility to apply for a development grant under the Hispanic- Serving Institution Program, the applicant must complete the appropriate ED 851S-7 (Hispanic-Serving Institutions Assurance Form).

### **ENDOWMENT FUND ASSURANCE**

An applicant for a development grant under the HSI Program who proposes to use grant funds to establish or increase the institution's endowment fund must complete ED 851S-9 (Endowment Assurance Form).

### **PRIOR HSI PROGRAM SUPPORT**

If applicable, in one appendix (5 page limit) of the application, briefly describe all activities that the institution carried out under a previous HSI program grant that expired within the past five years (ending on or after September 30, 1995). If applicable, briefly justify not completing any activities funded under the previous grant. If the institution has not received an HSI Program grant during this time period, simply state no grant was received.

### **COOPERATIVE ARRANGEMENT DEVELOPMENT GRANT APPLICATION**

### **SUPPLEMENTAL INSTRUCTIONS**

A cooperative arrangement is an arrangement to carry out allowable grant activities between a Title V eligible institution and another Title V eligible or ineligible institution, as discussed in the section on Cooperative Arrangement Development Grants on page 4. The cooperating institutions combine their resources to better achieve program goals and

avoid costly duplication of efforts. In addition to the development grant instructions located in this booklet, an applicant for a cooperative arrangement development grant must follow the instructions below.

## **COORDINATING INSTITUTION**

Institutions teaming up in a cooperative arrangement must designate a Title V eligible institution to be the coordinating institution. That institution is responsible for the use of all grant funds and for ensuring that the project is carried out in accordance with Federal regulations. Each participating institution is responsible for carrying out the activities or tasks it agrees to perform and for using the funds that it receives in accordance with Federal requirements that apply to the grant.

The coordinating institution is the only applicant that completes the Application for Federal Education Assistance Form (ED 424).

Place the following three items -- (Form ED 851S-1, the letters of commitment, and the narrative justification) -- immediately after the project abstract. See page 12.

## **INSTITUTIONS IN A COOPERATIVE ARRANGEMENT FORM (ED 851S-1)**

List all institutions participating in the cooperative arrangement - including the coordinating institution - on the Participating Institutions in a Cooperative Arrangement Form (ED 851S-1).

## **LETTERS OF COMMITMENT**

The president of each institution participating in a cooperative arrangement must provide a letter of commitment that includes statements that:

1. The submitted application accurately reflects the terms of the cooperative arrangement;
2. The institution will carry out its part in implementing the project if the request for Federal funds is granted;
3. The institution will comply with all assurances and Federal regulations applicable to a grantee; and,
4. The budget correctly represents the institution's share of the overall project's funds.

The president of the participating institution must sign and date this letter.

## **JUSTIFICATION FOR FUNDING UNDER A COOPERATIVE ARRANGEMENT**

Describe in narrative form the rationale for each participating institution's decision to request funds to carry out activities as part of a cooperative arrangement, rather than individually.

Among cooperative arrangement applications, we give priority for funding to those arrangements that are judged geographically and economically sound. The coordinating institution must provide evidence that justifies that the cooperative arrangement is geographically sound. A cooperative arrangement is judged geographically sound if faculty and staff at the participating institutions have very good access to one another, either due to the institutions being relatively close to one another or due to technology.

Each participating institution must provide evidence that justifies that the cooperative arrangement is economically sound. You will want to lay out evidence that each proposed activity will be carried out more efficiently and effectively than would be possible if each participating institution were awarded a grant individually.

## **COMPREHENSIVE DEVELOPMENT PLANS (CDP) UNDER A COOPERATIVE ARRANGEMENT**

Under a cooperative arrangement, each Title V eligible participating institution must provide its own individual CDP. If your institution is not Title V eligible, the institution need not submit a CDP even though your institution will be involved in the activities of the application. Review the program regulations, 34 CFR 606.12 and 606.22 (a) (page 46) and the specific instructions for preparing an application for a development grant which began on page 16 of this booklet, for additional guidance on the CDP.

## **ACTIVITY NARRATIVE UNDER A COOPERATIVE ARRANGEMENT**

In the activity narrative, relate the proposed activity(ies) to the problems to be solved and the goals of the CDP of each participating institution.

Respond to the appropriate selection criteria regarding activities for development grants described in the program regulations, 34 CFR 606.22, page 46. The coordinating institution provides the single response to these selection criteria, incorporating, where appropriate, the roles of the participating institutions.

## **BUDGET INFORMATION UNDER A COOPERATIVE ARRANGEMENT**

In a cooperative arrangement application, the coordinating institution and each participating Title V eligible institution must submit the Activity Budget Form (ED 851S-4) - for each activity for which grant funds are sought. Each institution must provide details on how its portion of the funds will be expended.

The applicants will use the other Budget Information Form (ED 851S-5) to describe and itemize all costs for each year. The participating eligible institutions and the coordinating institution should each complete a separate ED 851S-5 for each activity - for each year of the activity - and for project management/evaluation.

The coordinating institution should prepare a summary budget that totals all the costs for all institutions-by category-for each of the years of the grant. The applicant will provide this information on the Summary Budget Form (ED 524).

The coordinating institution should also complete a separate Other Budget Information Form (ED 851S-5) for the summary budget.

## **INSTITUTIONAL ASSURANCES AND CERTIFICATIONS UNDER A COOPERATIVE ARRANGEMENT GRANT**

Each participating institution must complete the Institutional Assurances and Certification forms.

Type the name of each institution in the upper right or left margin of the forms.

## **Notice inviting applications for new awards for fiscal year (FY) 2000**

4000-01-U

DEPARTMENT OF EDUCATION

(CFDA No 84.031S)

Developing Hispanic Serving Institutions Program

Agency: Department of Education

Notice inviting applications for new awards for fiscal year  
(FY) 2000

### **PURPOSE OF PROGRAM:**

Grants to Hispanic Serving Institutions (HSI) under the Developing Hispanic Serving Institutions Program assist eligible Hispanic Serving institutions of higher education to expand their capacity to serve Hispanic and low-income students by enabling them to improve their academic quality, institutional management, and fiscal stability and to increase their self-sufficiency. Five-year development grants and one-year planning grants are awarded.

### **ELIGIBLE APPLICANTS:**

Institutions that, at the time of application, have an enrollment of undergraduate full-time equivalent students that is at least 25 percent Hispanic students, and provide assurances that not less than 50 percent of their Hispanic students are low-income individuals.

### **SPECIAL NOTES:**

1. If an institution is the recipient of a grant under the



programs authorized under Part A or B of Title III of the Higher Education Act of 1965, as amended(HEA), the institution may not receive a grant under the HSI Program if any part of the grant period for the HSI Program grant would overlap with the grant awarded under Part A or B of Title III. Thus, such an institution may not apply for a grant under the HSI Program in this competition. Further, an institution that is a recipient of a grant under Part A or B may not relinquish that grant in order to apply for a grant under the HSI Program. The programs authorized under Part A of Title III of the HEA include the Strengthening Institutions Program, American Indian Tribally Controlled Colleges and Universities Program, Alaska Native-Serving Institutions Program, and Native Hawaiian-Serving Institutions Program. The programs authorized under Part B of Title III of the HEA include the Strengthening Historically Black Colleges and Universities Program and the Strengthening Historically Black Graduate Institutions Program.

2. An institution that does not fall within the limitation described in paragraph 1 may apply for a grant under both the programs authorized under Title III Part A of the HEA

and the HSI Program. However, the institution may receive only one grant under any of those programs. Accordingly, if an institution applies for a grant under more than one program, it should indicate that fact in each application, and should further indicate which grant it wishes to receive if it is selected to receive a grant under more than one program.

3. We have changed the way we collect information for determining the value of endowment funds and total expenditures for library materials. As a result of that change, we do not now have base year data beyond 1996-1997 data. Consequently, in order to award FY 2000 grants in a timely manner, we will use 1996-1997 base year data.

APPLICATIONS AVAILABLE: January 28, 2000

DEADLINE FOR TRANSMITTAL OF APPLICATIONS: March 10, 2000

DEADLINE FOR INTERGOVERNMENTAL REVIEW: May 10, 2000

METHODS FOR SUBMISSION OF GRANT APPLICATIONS

We will accept applications in two formats, a paper application and a diskette application. You must submit one original (hard copy with signatures) and two diskettes. Each diskette must contain a copy of the entire application for the FY 2000 grant competition, excluding the following forms

(which should be included with the hard copy only): the Application for Federal Education Assistance Form (ED 424), HSI Certification Form (ED 851S-7), the Assurances and Certification Forms and the Endowment Fund Assurance Form (ED 851S-8). The hard copy and the two diskettes must be postmarked on or before the closing date of the competition.

Under both formats we have established mandatory page limits. Reviewers will be instructed not to read applications beyond the stated page limits. If, to meet the page limit, you use a larger page or you use a print size, spacing, or margins smaller than the standards in this notice, we will reject your application. For this purpose, an application narrative includes the institutional narrative, the comprehensive development plan, activity narratives, and the project management narrative.

- ◆ The narrative of a development grant application may not exceed 60 pages. Additionally, essential appendices may be attached but may not exceed 5 pages each.
- ◆ The narrative of a cooperative arrangement grant application may not exceed 120 pages. Additionally, essential appendices may be attached but may not exceed 10 pages each.
- ◆ The narrative of a planning grant application may not exceed

20 pages. Additionally, essential appendices may be attached but may not exceed 5 pages each.

The cover page (ED Form 424 and the tiebreaker information page on the back of ED Form 424) and all certificates and assurances must accompany the original application and are not included within the page limits.

1. A 'page' is 8.5" x 11", on one side only, with 1" margins top, bottom, right and left.
2. You must double-space all text in the application narrative, including titles, headings, footnotes, quotations, references, and captions. However, you may single space charts, forms, tables, figures or graphs.

#### Electronic Field Readings

During FY 2000, all grant applications under the HSI Program will be reviewed by readers from a secure website. The reviewers will provide comments and award points online. Reviewers will have the opportunity to discuss any significant point differences in a virtual chat room environment.

Note: Some of the procedures in these instructions for transmitting applications differ from those in 34 CFR 75.102. Under 5 U.S.C. 553, the Department generally offers

interested parties the opportunity to comment on proposed regulations. However, these amendments make procedural changes only and do not establish new substantive policy. Therefore, under 5 U.S.C. 553(b)(A), the Secretary has determined that proposed rulemaking is not required.

AVAILABLE FUNDS: Total estimated funding available is \$42,500,000 for FY 2000. Approximately \$16,500,000 will support 39 continuing grants. Approximately \$26,000,000 will be available for the new grant competition.

ESTIMATED RANGE OF AWARDS:

Development Grants: \$350,000-\$400,000 per year

Planning Grants: \$30,000 - \$35,000 for one year

ESTIMATED AVERAGE SIZE OF AWARDS:

Development Grant: \$375,000 per year

Planning Grant: \$32,500 for one year

ESTIMATED NUMBER OF AWARDS:

Development Awards: 65

Planning Grant Awards: 10

PROJECT PERIOD:

60 months for development grants

12 months for planning grants

Note: The Department is not bound by any estimates in this

notice.

STATUTORY PRIORITIES:

Under Section 511(d) of the HEA, we give priority to applications that contain satisfactory evidence that the Hispanic Serving institution has entered into or will enter into a collaborative arrangement with at least one local educational agency or community-based organization to provide that agency or organization with assistance (from funds other than funds provided under Title V of the HEA) in reducing dropout rates for Hispanic students, improving rates of academic achievement for Hispanic students, and increasing the rates at which Hispanic secondary school graduates enroll in higher education. We anticipate that we will fund under this competition only applications that meet this priority.

As described under Section 514(b) of the HEA, we give priority to grants for cooperative arrangements that are geographically and economically sound or will benefit the applicant Hispanic Serving Institution. We anticipate that we will fund only those applications that meet this priority under this competition.

SPECIAL FUNDING CONSIDERATION:

In tie-breaking situations described in 34 CFR 606.23 of

the HSI Program regulations, we award one additional point to an application from an institution that has an endowment fund for which the market value in 1996-97, per full-time equivalent (FTE) student, was less than the average per FTE student at similar type institutions; and one additional point to an application from an institution that had expenditures for library materials in 1996-97, per FTE student, that were less than the average per FTE student at similar type institutions.

For the purpose of these funding considerations, an applicant must be able to demonstrate that the market value of its endowment fund per FTE student, or expenditures for library per FTE student, were less than the following approximated national averages for year 1996-97.

	Average market value of endowment fund per FTE student	Average Library Expenditures for materials per FTE student
Two-year public institutions	\$1,332	\$45

Two-year nonprofit private institutions	\$11,567	\$121
Four-year public institutions	\$2,829	\$165
Four-year nonprofit private institution	\$42,579	\$254

If a tie still remains after applying the additional points, we determine that an institution will receive an award according to a combined ranking of two-year and four-year institutions. This ranking is established by combining library expenditures and endowment values per FTE student. The institutions with the lowest combined library expenditures per FTE student and endowment values per FTE student are ranked higher in strict numerical order.

APPLICABLE REGULATIONS:

(a) The Department of Education General Administrative Regulations (EDGAR) in 34 CFR Parts 74, 75, 77, 79, 82, 85, 86, 97, 98, and 99; and (b) the regulations for the HSI



Program in 34 CFR Part 606. The HSI final regulations, 34 CFR part 606, were published in the Federal Register on December 15, 1999, 64 FR 70146-70155.

FOR APPLICATIONS OR INFORMATION CONTACT:

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Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1-800-877-8339.

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PROGRAM AUTHORITY: 20 USC 1059c

Dated:

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A. Lee Fritschler,  
Assistant Secretary  
Office of Postsecondary  
Education.

**THE FOLLOWING IS A COMPILATION OF THE HIGHER EDUCATION ACT OF 1965, AS AMENDED BY THE HIGHER EDUCATION AMENDMENTS OF 1998**

**PROGRAM STATUTE**

**TITLE V – DEVELOPING INSTITUTIONS**

**PART A – HISPANIC-SERVING INSTITUTIONS**

**SEC. 501. FINDINGS; PURPOSE; AND PROGRAM AUTHORITY.**

(a) FINDING. -- Congress makes the following findings:

(1) Hispanic Americans are at high risk of not enrolling or graduating from institutions of higher education.

(2) Disparities between the enrollment of non-Hispanic white students and Hispanic students in postsecondary education are increasing. Between 1973 and 1994, enrollment of white secondary school graduate in 4-year institutions of higher education increased at a rate two times higher than that of Hispanic secondary school graduates.

(3) Despite significant limitations in resources, Hispanic-serving institutions provide a significant proportion of postsecondary opportunities for Hispanic students.

(4) Relative to other institution of higher education, Hispanic-serving institutions are under funded. Such institutions receive significantly less in State and local funding, per full-time equivalent student, than other institutions of higher education.

(5) Hispanic-serving institutions are succeeding in educating Hispanic students despite significant resources problems that--

(A) limit the ability of such institutions to expand and improve the academic programs of such institutions; and

(B) could imperil the financial and administrative stability of such institutions.

(6) There is a national interest in remedying the disparities described in paragraphs (2) and (4) and ensuring that Hispanic students have an equal opportunity to pursue postsecondary opportunities.

(b) Purpose. -- The purpose of this title is to--

(1) expand educational opportunities for, and improve the academic attainment of Hispanic students, and;

(2) expand and enhance the academic offerings, program quality, and institutional stability of colleges and universities that are educating the majority of Hispanic college students and helping large number of Hispanic students and other low-income individuals complete postsecondary degrees.

(C) Program Authority. -- The Secretary shall provide grants and related assistance to Hispanic-serving institutions to enable such institutions to improve and expand their capacity to serve Hispanic students and other low-income individuals.

**SEC. 502 DEFINITIONS; ELIGIBILITY.**

(a) Definitions. For the purpose of this title:

(1) EDUCATIONAL AND GENERAL EXPENDITURES. The term “educational and general expenditures” means the total amount expended by and institution for instruction, research, public service, academic support (including library expenditures), student services, institutional support, scholarships and fellowships, operation and maintenance expenditures for the physical plant, and an mandatory transfers that the institution is required to pay by law.

(2) ELIGIBLE INSTITUTION. The term “eligible institution” means--

(A) an institution of higher education--

(i) has an enrollment of needy students as required by subsection (b);

(ii) except as provided in section 512(b), the average educational and general expenditures of which are low, per full time equivalent undergraduate student, in comparison with the average educational and general expenditures per full time equivalent undergraduate student of institutions that offer similar instruction:

(iii) that is--

(I) legally authorized to provide, and provides within the State, an education program for which the institution awards a bachelor's degree or

(II) a junior or community college;

(iv) that is accredited by a nationally recognized accrediting agency or association determined by the Secretary to be reliable authority as to the quality of training offered or that is, according to such an agency or association, making reasonable progress toward accreditation;

(v) that meets such other requirements as the Secretary may prescribe; and

(vi) that is located in a State; and

(B) any branch of any institution of higher education described under subparagraph (A) that by itself satisfies the requirements contained in clauses (I) and (ii) of such subparagraph.

For purposes of the determination of whether an institution is an eligible institution under this paragraph, the factor described under subparagraph (A)(I) shall be given twice the weight of the factor described under subparagraph (A)(ii).

(3) ENDOWMENT FUND.-- The term "endowment fund" means a fund that

(A) is established by State law, by a Hispanic-serving institution, or by a foundation that is exempt from Federal income taxation;

(B) is maintained for the purpose of generating income for the support of the institution; and

(C) does not include real estate.

(4) FULL-TIME EQUIVALENT STUDENTS.--The term "full-time equivalent students" means the sum of the number of students enrolled full time at an institution, plus the full-time equivalent of the number of students enrolled part time (determined on the basis of the quotient of the sum of the credit hours or all part-time student divided by 12) at such institution.

(5) HISPANIC-SERVING INSTITUTION. -- The term "Hispanic-Serving institution" means

(A) is an eligible institution

(B) at the time of application, has an enrollment of undergraduate full-time equivalent students that is at least 25 percent Hispanic students; and

(C) provides assurances that not less than 50 percent of the institution's Hispanic students are low-income individuals.

(6) JUNIOR OR COMMUNITY COLLEGE. The term "junior or community college" means an institution of higher education--

(A) that admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located and who have the ability to benefit from the training offered by the institution;

(B) that does not provide an educational program for which the institution awards a bachelor's degree (or an equivalent degree); and

(C) that--

(I) provides an educational program of not less than 2 years in duration that is acceptable for full credit toward such a degree; or

(ii) offers a 2-year program in engineering, mathematics or the physical or biological sciences, designed to prepare a student to work as a technician or at the semiprofessional level in engineering, scientific, or other technological fields requiring the understanding the application of basic engineering, scientific, or mathematical principles of knowledge.

(7) LOW INCOME INDIVIDUAL.-- The term "low-income individual" means an individual from a family whose taxable income for the preceding year did not exceed 150 percent of an amount equal to the poverty level determined by using criteria of poverty established by the Bureau of the Census.

(b) Enrollment of Needy Students.-- For the purpose of this title, the term "enrollment of needy students" means an enrollment at an institution with respect to which--

(1) at least 50 percent of the degree students so enrolled are receiving need-based assistance under title IV in the second fiscal year preceding the fiscal year for which the determination is made (other than loans for which an interest subsidy is paid pursuant to section 428); or

(2) a substantial percentage of the students so enrolled are receiving Federal Pell Grants in the second fiscal year preceding the fiscal year for which determination is made compared to the percentage of students receiving Federal Pell Grants at all such institutions in the second fiscal year preceding the fiscal year for which the determination is made, unless the requirement of this paragraph is waived under section 512(a).

## SEC. 503 AUTHORIZED ACTIVITIES.

(a) TYPES OF ACTIVITIES AUTHORIZED. Grants awarded under this title shall be used by Hispanic-serving institutions of higher education to assist the institutions to plan, develop, undertake, and carry out programs to improve and expand such institutions' capacity to serve Hispanic students and other low-income students.

(b) AUTHORIZED ACTIVITIES. Grants awarded under this section shall be used for one or more of the following activities:

(2) Construction, maintenance, renovation, and improvement in classrooms, libraries, laboratories, and other instructional facilities.

(3) Support of faculty exchanges, faculty development, curriculum development, academic instruction, and faculty fellowships to assist in attaining advanced degrees in the fellow's field of instruction.

(4) Purchase of library books, periodicals, and other educational materials, including telecommunications program material.

(5) Tutoring, counseling, and student service programs designed to improve academic success.

(6) Funds management, administrative management, and acquisition of equipment for use in strengthening funds management.

(7) Joint use of facilities, such as laboratories and libraries.

(8) Establishing or improving a development office to strengthen or improve contributions from alumni and the private sector.

(9) Establishing or improving an endowment fund.

(10) Creating or improving facilities for Internet or other distance learning academic instruction capabilities, including purchase or rental of telecommunications technology equipment or services.

(11) Establishing or enhancing a program or teacher education designed to qualify students to teach in public elementary schools and secondary schools.

(12) Establishing community outreach programs that will encourage elementary school and secondary school students to develop the academic skills and the interest to pursue postsecondary education.

(13) Expanding the number of Hispanic and other underrepresented graduate and professional students that can be served by the institution by expanding courses and institutional resources.

(14) Other activities proposed in the application submitted pursuant to section 504 that --

(A) that contribute to carrying out the purposes of this title

(B) are approved by the Secretary as part of the review and acceptance of such application.

(C) Endowment fund limitations. --

(1) Portion of a grant. -- A Hispanic-serving institution may not use more than 20 percent of the grant funds provided under this title for any fiscal year for establishing or improving an endowment fund.

(2) Matching required. -- A Hispanic-serving institution that uses any portion of the grant funds provided under this title for any fiscal year for establishing or improving an endowment fund shall provide from non-Federal funds an amount equal to or greater than the portion.

## SEC. 504-- DURATION OF GRANT

(a) Award Period.

(1) In General. The Secretary may award a grant to a Hispanic-serving institution under this title for 5 years.

(2) Waitout Period. --

A Hispanic-serving institution shall not be eligible to secure a subsequent 5-year grant award under this title until 2 years have elapsed since the expiration of the institution's most recent 5-year grant award under this title, except that for the purpose of this subsection a grant under section 514(a) shall not be considered a grant under this title.

(b) Planning grants. Notwithstanding subsection (a), the Secretary may award a grant to a Hispanic-serving institution under this part for a period of one year for the purpose of preparation of plans and applications for a grant under this title.

## SEC. 505. SPECIAL RULE

No Hispanic-serving institution that is eligible for and receives funds under this title may concurrently receive other

funds under part A or B of title III during the period for which funds under this title are awarded.

## **PART B—GENERAL PROVISIONS**

### **SEC. 511. ELIGIBILITY; APPLICATION.**

(a) Institutional Eligibility. Each Hispanic-serving institution desiring to receive assistance under this title shall submit to the Secretary such enrollment data as may be necessary to demonstrate that the institution is a Hispanic-serving institution as defined in section 502, along with such other data and information as the Secretary may be regulation require.

(b) Applications.

(1) Applications required. Any institution which is eligible for assistance under this subchapter shall submit to the Secretary an application for assistance at such time, in such form, and containing such information, as may be necessary to enable the Secretary to evaluate the institution's need for assistance. Subject to the availability of appropriations to carry out this title, the Secretary may approve an application for a grant under this title only if the Secretary determines that-

(A) the application meets the requirements of subsection (b); and

(B) the institution is eligible for assistance in accordance with the provisions of this title under which the assistance is sought.

(2) Preliminary Applications. -- In carrying out paragraph (1), the Secretary may develop a preliminary application for use by Hispanic-serving institutions applying under this title prior to the submissions of the principal application.

(C) Contents. A Hispanic-serving institution, in the institution's application for a grant, shall -

(1) set forth, or describe how the institution will develop, a comprehensive development plan to strengthen the institution's academic quality and institutional management, and otherwise provide for institutional self-sufficiency and growth (including measurable objectives for the institution and the Secretary to use in monitoring the effectiveness of activities under this subchapter);

(2) include a 5-year plan for improving the assistance provided by the Hispanic-serving institution to Hispanic students and other low-income individuals;

(3) set forth policies and procedures to ensure that Federal funds made available under this subchapter for any fiscal year will be used to supplement and, to the extent practical, increase the funds that would otherwise be made available for the purposes of section 501(b), and in no case supplant those funds;

(4) set forth policies and procedures for evaluating the effectiveness in accomplishing the purpose of the activities for which a grant is sought under this title;

(5) provide for such fiscal control and fund accounting procedures as may be necessary to ensure proper disbursement of and accounting for funds made available to the applicant under this title;

(6) provide that the institution will comply with the limitations set forth in Section 516;

(7) describe in a comprehensive manner any proposed project for which funds are sought under the application and include--

(A) a description of the various components of the proposed project, including the estimated time required to complete each such component;

(B) in the case of any development project that consists of several components (as described by the institution pursuant to subparagraph (A)), a statement identifying those components which, if separately funded, would be sound investments of Federal funds only if funded under this title in conjunction with other parts of the development project (as specified by the institution);

(C) an evaluation by the applicant of the priority given any proposed project for which funds are sought in relation to any other projects for which funds are sought by the applicant under this title, and a similar evaluation regarding priorities among the components of any single proposed project (as described by the applicant pursuant to subparagraph (A));

(D) a detailed budget showing the manner in which funds for any proposed project would be spent by the applicant; and

(E) a detailed description of any activity which involves the expenditure of more than \$25,000, as identified in the budget referred to in subparagraph (E); and

(8) provide for making reports, in such form and containing such information, as the Secretary may require to carry

out the Secretary's functions under this title, including not less than one report annually setting forth the institution's progress toward achieving the objectives for which the funds were awarded and for keeping such records and affording such access to such records, as the Secretary may find necessary to assure the correctness and verification of such reports; and

(9) include such other information as the Secretary may prescribe.

(d) Priority. With respect to applications for assistance under this section, the Secretary shall give priority to an application that contains satisfactory evidence that the Hispanic-serving institution has entered into or will enter into a collaborative arrangement with at least one local education agency or community-based organization to provide such agency or organization with assistance (from funds other than funds provided under this title) in reducing dropout rates for Hispanic students, improving rates of academic achievement for Hispanic students, and increasing the rates at which Hispanic secondary school graduates enroll in higher education.

(e) Eligibility Data. The Secretary shall use the most recent and relevant data concerning the number and percentage of students receiving need-based assistance under IV in making eligibility determinations and shall advance the base-year for the determinations forward following each annual grant cycle.

## SEC. 512. WAIVER AUTHORITY AND REPORTING REQUIREMENT

(a) Waiver requirements; need-based assistance students. The Secretary may waive the requirements set forth in section 502(a)(2)(A)(i) in the case of an institution

(1) that is extensively subsidized by the State in which it is located and charges low or no tuition;

(2) which serves a substantial number of low-income students as a percentage of its total student population;

(3) that is contributing substantially to increasing higher education opportunities for educationally disadvantaged, underrepresented, or minority students, who are low-income individuals;

(4) which is substantially increasing higher educational opportunities for individuals in rural or other isolated areas which are unserved by postsecondary institutions;

(5) wherever located, if the Secretary determines that the waiver will substantially increase higher education opportunities appropriate to the needs of Hispanic Americans.

(b) Waiver determinations; expenditures-- (1) The Secretary may waive the requirements set forth in section 502(a)(2)(A)(ii) if the Secretary determines, based on persuasive evidence submitted by the institution, that the institution's failure to meet that criterion is due to factors which, when used in the determination of compliance with such criterion, distort such determination, and that the institution's designation as an eligible institution under part A is otherwise consistent with the purposes of this title.

(2) Expenditures--The Secretary shall submit to the Congress every other year a report concerning the institutions that, although not satisfying the requirements of section 502(a)(2)(A)(ii), have been determined to be eligible institutions under part A. Such report shall--

(A) identify the factors referred to in paragraph (1) which were considered by the Secretary as factors that distorted the determination of compliance with clauses (i) and (ii) of section 502(a)(2)(A); and

(B) contain a list of each institution determined to be an eligible institution under part A including a statement of the reasons for each such determination.

## SEC. 513--APPLICATION REVIEW PROCESS

(a) Review panel.

(1) All applications submitted under this title by Hispanic serving institutions of higher education shall be read by a panel of readers composed of individuals selected by the Secretary and who include individuals representing Hispanic-serving institutions. The Secretary shall ensure that no individual assigned under this section to review any application has any conflict of interest with regard to that application which might impair the impartiality with which that individual conducts the review under this section.

(b) Instruction. All readers selected by the Secretary shall receive thorough instruction from the Secretary regarding the evaluation process for applications submitted under this title that are consistent with the provisions of this title, including--

(1) an enumeration of the factors to be used to determine the quality of applications submitted under this title; and

(2) an enumeration of the factors to be used to determine whether a grant should be awarded for a project under this title, the Secretary shall take into consideration the amount of any such grant, and the duration of any such

grant.

(c) Recommendations of panel. In awarding grants under this title, the Secretary shall take into consideration the recommendations of the panel made under subsection (a).

(d) Notification. Not later than June 30 of each year, the Secretary shall notify each Hispanic-serving institution making an application under this title of

(1) the scores given the applicant by the panel pursuant to this section;

(2) the recommendations of the panel with respect to such application; and

(3) the reasons for the decision of the Secretary in awarding or refusing to award a grant under this title, and any modifications, if any, in the recommendations of the panel made by the Secretary.

## **SEC. 514--COOPERATIVE ARRANGEMENTS**

(a) General authority. The Secretary may make grants to encourage cooperative arrangements with funds available to carry out this title, between Hispanic-serving institutions eligible for assistance under this title and between such institutions and institutions not receiving assistance under this title, for assistance under this title, for the activities described in section 503 so that the resources of the cooperating institutions might be combined and shared in order to achieve the purposes of this title, to avoid costly duplicative efforts and to enhance the development of part A and part B eligible institutions.

(b) Priority. The Secretary shall give priority to grants for the purposes described under subsection (a) whenever the Secretary determines that the cooperative arrangement is geographically and economically sound or will benefit the applicant Hispanic-serving institution.

(c) Duration. Grants to Hispanic-serving institutions having a cooperative arrangement may be made under this section for a period as determined under section 505.

## **SEC. 516. LIMITATIONS**

The funds appropriated under section 518 may not be used

(1) for a school or department of divinity or any religious worship or sectarian activity;

(2) for an activity that is inconsistent with a State plan for desegregation of higher education applicable to a Hispanic-serving institution;

(3) for an activity that is inconsistent with a State plan of higher education applicable to a Hispanic-serving institution; or

(4) for purposes other than the purposes set forth in the approved application under which the funds were made available to a Hispanic-serving institution.

## **SEC. 515. ASSISTANCE TO INSTITUTIONS UNDER OTHER PROGRAMS**

(a) Assistance eligibility. Each Hispanic-serving institution that the Secretary determines to be an institution eligible under this title may be eligible for waivers in accordance with subsection (b).

(b) Waiver applicability

(1) In General--Subject to, and in accordance with, regulations promulgated for the purposes of this section, in the case of any application by a Hispanic-serving institution referred to in subsection (a) for assistance under any programs specified in paragraph (2), the Secretary is authorized, if such application is otherwise approvable, to waive any requirement for a non-Federal share of the cost of the program or project, or, to the extent not inconsistent with other law, to give, or require to be given, priority consideration of the application in relation to applications from other institutions.

(2) The provisions of this section shall apply to any program authorized by Title IV or section 604.

(c) Limitation. The Secretary shall not waive, under subsection (b) of this section, the non-Federal share requirement for any program for applications which, if approved, would require the expenditure of more than 10 percent of the appropriations for the program for any fiscal year.

## **SEC. 517-- PENALTIES**

Whoever, being an officer, director, agent, or employee of, or connected in any capacity with, any recipient of



Federal financial assistance or grant pursuant to this subchapter embezzles, willfully misapplies, steals, or obtains by fraud any of the funds which are the subject of such grant or assistance, shall be fined not more than \$10,000 or imprisoned for not more than 2 years, or both.

## **SEC. 518--AUTHORIZATIONS OF APPROPRIATIONS**

(a) Authorizations. -- There are authorized to be appropriated to carry out this title \$62,500,000 for fiscal year 1999, and such sums as may be necessary for each of the 4 succeeding fiscal years.

(b) Use of multiple year awards. In the event of a multiple year award to any Hispanic-serving institution under this title, the Secretary shall make funds available for such award from funds appropriated for this title for the fiscal year in which such funds are to be used by the institution.

## **THE CODE OF FEDERAL REGULATIONS PART 606 (December 15, 1999) and PART 607 (JULY 1, 1998)**

**NOTE: Please review all the program statutes, starting on page 40, carefully. In any instance where the statutory provisions differ from those found in the regulations, the statute governs. Part 607 is included in this booklet only for your reference, however Part 607 governs Title III programs.**

## **REGULATIONS**

### **PART 606--DEVELOPING HISPANIC-SERVING INSTITUTIONS PROGRAM**

#### **Subpart A--General Sec.**

606.1 What is the Developing Hispanic-Serving Institutions Program?

606.2 What institutions are eligible to receive a grant under the Developing Hispanic-Serving Institutions Program?

606.3 What is an enrollment of needy students?

606.4 What are low educational and general expenditures?

606.5 How does an institution apply to be designated an eligible institution?

606.6 What regulations apply? 606.7 What definitions apply?

606.8 What is a comprehensive development plan and what must it contain?

606.9 What are the type, duration, and limitations in the awarding of grants under this part?

606.10 What activities may and may not be carried out under a grant?

#### **Subpart B--How Does an Institution Apply for a Grant?**

606.11 What must be included in individual development grant applications?

606.12 What must be included in cooperative arrangement grant applications?

606.13 How many applications for a development grant may an institution submit?

#### **Subpart C--How Does the Secretary Make an Award?**

606.20 How does the Secretary choose applications for funding?

606.21 What are the selection criteria for planning grants?

606.22 What are the selection criteria for development grants?

606.23 What special funding consideration does the Secretary provide?

606.24 How does the Secretary use an applicant's performance under a previous development grant when awarding a development grant?

606.25 What priority does the Secretary use in awarding cooperative arrangement grants? Subpart D--What Conditions Must a Grantee Meet?

606.30 What are allowable costs and what are the limitations on allowable costs?

606.31 How does a grantee maintain its eligibility?

Authority: 20 U.S.C. 1101 et seq., unless otherwise noted. Subpart A--General

Sec. 606.1 What is the Developing Hispanic-Serving Institutions Program?

The purpose of the Developing Hispanic-Serving Institutions Program

is to provide grants to eligible institutions of higher education to--

(a) Expand educational opportunities for, and improve the academic attainment of, Hispanic students; and

(b) Expand and enhance the academic offerings, program quality, and institutional stability of colleges and universities that are educating the majority of Hispanic college students and helping large numbers of

Hispanic students and other low-income individuals complete postsecondary degrees. (Authority: 20 U.S.C. 1101)

Sec. 606.2 What institutions are eligible to receive a grant under the Developing Hispanic-Serving Institutions Program?

(a) An institution of higher education is eligible to receive a grant under this part if--

(1) At the time of application, it has an enrollment of undergraduate full-time equivalent students that is at least 25 percent Hispanic students;

(2) It provides assurances that not less than 50 percent of its Hispanic students are low-income individuals;

(3) It has an enrollment of needy students as described in Sec. 606.3(a), unless the Secretary waives this requirement under Sec. 606.3(b);

(4) It has low average educational and general expenditures per full-time equivalent undergraduate student as described in Sec. 606.4(a), unless the Secretary waives this requirement under Sec. 606.4(c);

(5) It is legally authorized by the State in which it is located to be a junior college or to provide an educational program for which it awards a bachelor's degree; and

(6) It is accredited or preaccredited by a nationally recognized accrediting agency or association that the Secretary has determined to be a reliable authority as to the quality of education or training offered.

(b) A branch campus of a Hispanic-Serving institution is eligible to receive a grant under this part if--

(1) The institution as a whole meets the requirements of paragraph (a) of this section; and

(2) The branch satisfies the requirements of paragraphs (a)(1), (a)(2), (a)(3), and (a)(4) of this section.

(c)(1) An institution that receives a grant under the Strengthening Institutions Program (34 CFR part 607) or the Strengthening Historically Black Colleges and Universities Program (34 CFR part 608) for a particular fiscal year is not eligible to receive a grant under this part for that same fiscal year, and may not relinquish its grant under those programs to secure a grant under this part.

(2) A Hispanic-Serving institution under this part may not concurrently receive grant funds under the Strengthening Institutions Program, Strengthening Historically Black Colleges and Universities Program, or Strengthening Historically Black Graduate Institutions Program. (Authority: 20 U.S.C. 1101a and 1101d)

Sec. 606.3 What is an enrollment of needy students?

(a) Except as provided in paragraph (b) of this section, for the purpose of Sec. 606.2(a)(3), an applicant institution has an enrollment of needy students if in the base year--

(1) At least 50 percent of its degree students received student financial assistance under one or more of the following programs: Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Work-Study, and Federal Perkins Loan; or

(2) The percentage of its undergraduate degree students who were

enrolled on at least a half-time basis and received Federal Pell Grants exceeded the median percentage of undergraduate degree students who were enrolled on at least a half-time basis and received Federal Pell Grants at comparable institutions that offer similar instruction.

(b) The Secretary may waive the requirement contained in paragraph (a) of this section if the institution demonstrates that--[[Page 70148]]

(1) The State provides more than 30 percent of the institution's budget and the institution charges not more than \$99.00 for tuition and fees for an academic year;

(2) At least 30 percent of the students served by the institution in the base year were students from low-income families;

(3) The institution substantially increases the higher education opportunities for low-income students who are also educationally disadvantaged, underrepresented in postsecondary education, or minority students;

(4) The institution substantially increases the higher education opportunities for individuals who reside in an area that is not included in a "metropolitan statistical area" as defined by the Office of Management and Budget and who are unserved by other postsecondary institutions; or

(5) The institution will, if granted the waiver, substantially increase the higher education opportunities for Hispanic Americans.

(c) For the purpose of paragraph (b) of this section, the Secretary considers "low-income" to be an amount which does not exceed 150 percent of the amount equal to the poverty level as established by the United States Bureau of the Census.

(d) Each year, the Secretary notifies prospective applicants of the low-income figures through a notice published in the Federal Register. (Authority: 20 U.S.C. 1101a and 1103a)

Sec. 606.4 What are low educational and general expenditures?

(a)(1) Except as provided in paragraph (b) of this section, for the purpose of Sec. 606.2(a)(2), an applicant institution's average educational and general expenditures per full-time equivalent undergraduate student in the base year must be less than the average educational and general expenditures per full-time equivalent undergraduate student in that year of comparable institutions that offer similar instruction.

(2) For the purpose of paragraph (a)(1) of this section, the Secretary determines the average educational and general expenditure per full-time equivalent undergraduate student for institutions with graduate students that do not differentiate between graduate and undergraduate educational and general expenditures by discounting the graduate enrollment using a factor of 2.5 times the number of graduate students.

(b) Each year, the Secretary notifies prospective applicants through a notice in the Federal Register of the average educational and general expenditures per full-time equivalent undergraduate student at comparable institutions that offer similar instruction.

(c) The Secretary may waive the requirement contained in paragraph (a) of this section, if the Secretary determines, based upon persuasive evidence provided by the institution, that--

(1) The institution's failure to satisfy the criteria in paragraph (a) of this section was due to factors which, if used in determining compliance with those criteria, distorted that determination; and

(2) The institution's designation as an eligible institution under this part is otherwise consistent with the purposes of this part.

(d) For the purpose of paragraph (c)(1) of this section, the Secretary considers that the following factors may distort an institution's educational and general expenditures per full-time equivalent undergraduate student-- (1) Low student enrollment; (2) Location of the institution in an unusually high cost-of-living area; (3) High energy costs; (4) An increase in State funding that was part of a desegregation plan for higher education; or

(5) Operation of high cost professional schools such as medical or dental schools. (Authority: 20 U.S.C. 1101a and 1103a)

Sec. 606.5 How does an institution apply to be designated an eligible institution? (a) An institution applies to the Secretary to be designated an eligible institution under this part by first submitting an application to the Secretary in the form, manner, and time established by the Secretary. The application must contain--

(1) The information necessary for the Secretary to determine whether the institution satisfies the requirements of Secs. 606.2, 606.3(a), and 606.4(a);

(2) Any waiver request under Secs. 606.3(b) and 606.4(c); and

(3) Information or explanations justifying any requested waiver.

(b) An institution that wishes to receive a grant under this part must submit, as part of its application for that grant, an assurance that when it submits its application--

(1) Its enrollment of undergraduate full-time equivalent students is at least 25 percent Hispanic students; and

(2) Not less than 50 percent of its Hispanic students are low-income individuals. (Authority: 20 U.S.C. 1101a and 1103)

Sec. 606.6 What regulations apply?

The following regulations apply to the Developing Hispanic-Serving Institutions Program:

(a) The Education Department General Administrative Regulations (EDGAR) as follows:

(1) 34 CFR part 74 (Administration of Grants to Institutions of Higher Education, Hospitals, and Nonprofit Organizations).

(2) 34 CFR part 75 (Direct Grant Programs), except 34 CFR 75.128(a)(2) and 75.129(a) in the case of applications for cooperative arrangements. (3) 34 CFR part 77 (Definitions that Apply to Department Regulations). (4) 34 CFR part 79 (Intergovernmental Review of Department of Education Programs and Activities).

(5) 34 CFR part 82 (New Restrictions on Lobbying).

(6) 34 CFR part 85 (Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (Grants)). (7) 34 CFR part 86 (Drug-Free Schools and Campuses).

(b) The regulations in this part 606. (Authority: 20 U.S.C. 1101 et seq.)

Sec. 606.7 What definitions apply?

(a) Definitions in EDGAR. The terms used in this part are defined in 34 CFR 77.1: EDGAR Fiscal year Grant Grantee Grant period Nonprofit Private Project period Public Secretary State

(b) The following definitions also apply to this part:

Accredited means the status of public recognition which a nationally recognized accrediting agency or association grants to an institution which meets certain established qualifications and educational standards. Activity means an action that is incorporated into an implementation plan designed to meet one or more objectives. An

activity is a part of a project and has its own budget that is approved to carry out the objectives of that subpart.

Base year means the second fiscal year preceding the fiscal year for which an institution seeks a grant under this part.

Branch campus means a unit of a college or university that is[[Page 70149]] geographically apart from the main campus of the college or university and independent of that main campus. The Secretary considers a unit of a college or university to be independent of the main campus if the unit--

- (1) Is permanent in nature;
- (2) Offers courses for credit and programs leading to an associate or bachelor's degree; and
- (3) Is autonomous to the extent that it has--
  - (i) Its own faculty and administrative or supervisory organization; and
  - (ii) Its own budgetary and hiring authority.

Comparable institutions that offer similar instruction means institutions that are being compared with an applicant institution and that fall within one of the following four categories--

- (1) Public junior or community colleges;
- (2) Private nonprofit junior or community colleges;
- (3) Public institutions that offer an educational program for which they offer a bachelor's degree; or
- (4) Private nonprofit institutions that offer an educational program for which they offer a bachelor's degree.

Cooperative arrangement means an arrangement to carry out allowable grant activities between an institution eligible to receive a grant under this part and another eligible or ineligible institution of higher education, under which the resources of the cooperating institutions are combined and shared to better achieve the purposes of this part and avoid costly duplication of effort.

Degree student means a student who enrolls at an institution for the purpose of obtaining the degree, certificate, or other recognized educational credential offered by that institution.

Developmental program and services means new or improved programs and services, beyond those regularly budgeted, specifically designed to improve the self-sufficiency of the school.

Educational and general expenditures means the total amount expended by an institution of higher education for instruction, research, public service, academic support (including library expenditures), student services, institutional support, scholarships and fellowships, operation and maintenance expenditures for the physical plant, and any mandatory transfers which the institution is required to pay by law.

Educationally disadvantaged means a college student who requires special services and assistance to enable them to succeed in higher education. The phrase includes, but is not limited to, students who come from--

- (1) Economically disadvantaged families;
- (2) Limited English proficiency families; (3) Migrant worker families; or
- (4) Families in which one or both of their parents have dropped out of secondary school.

Federal Pell Grant Program means the grant program authorized by title IV-A-1 of the HEA.

Federal Perkins Loan Program, formerly called the National Direct Student Loan Program, means the loan program authorized by title IV-E of the HEA.

Federal Supplemental Education Opportunity Grant Program means the grant program authorized by title IV-A-3 of the HEA.

Federal Work-Study Program means the part-time employment program authorized under title IV-C of the HEA.

Full-time equivalent students means the sum of the number of students enrolled full-time at an institution, plus the full-time equivalent of the number of students enrolled part time (determined on the basis of the quotient of the sum of the credit hours of all part-time students divided by 12) at such institution.

HEA means the Higher Education Act of 1965, as amended.

Hispanic student means a person of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.

Institution of higher education means an educational institution defined in section 101 of the HEA.

Junior or community college means an institution of higher education--

(1) That admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located and who have the ability to benefit from the training offered by the institution;

(2) That does not provide an educational program for which it awards a bachelor's degree (or an equivalent degree); and (3) That--

(i) Provides an educational program of not less than 2 years that is acceptable for full credit toward such a degree; or

(ii) Offers a 2-year program in engineering, mathematics, or the physical or biological sciences, designed to prepare a student to work as a technician or at the semiprofessional level in engineering, scientific, or other technological fields requiring the understanding and application of basic engineering, scientific, or mathematical principles of knowledge.

Low-income individual means an individual from a family whose taxable income for the preceding year did not exceed 150 percent of an amount equal to the poverty level determined by using criteria of poverty established by the Bureau of the Census.

Minority student means a student who is an Alaska Native, American Indian, Asian-American, Black (African-American), Hispanic American, Native Hawaiian, or Pacific Islander.

Nationally recognized accrediting agency or association means an accrediting agency or association that the Secretary has recognized to accredit or preaccredit a particular category of institution in accordance with the provisions contained in 34 CFR part 603. The Secretary periodically publishes a list of those nationally recognized accrediting agencies and associations in the Federal Register.

Operational programs and services means the regular, ongoing budgeted programs and services at an institution.

Preaccredited means a status that a nationally recognized accrediting agency or association, recognized by the Secretary to grant that status, has accorded an unaccredited institution that is progressing toward accreditation within a reasonable period of time.

Project means all the funded activities under a grant.

Self-sufficiency means the point at which an institution is able to survive without continued funding under the Developing Hispanic-Serving Institutions Program.

Underrepresented means proportionate representation as measured by degree recipients, that is less than the proportionate representation in the general population-- (1) As indicated by--

(i) The most current edition of the Department's Digest of Educational Statistics;

(ii) The National Research Council's Doctorate Recipients from United States Universities; or

(iii) Other standard statistical references, as announced annually in the Federal Register notice inviting applications for new awards under this program; or

(2) As documented by national survey data submitted to and accepted by the Secretary on a case-by-case basis.

(Authority: 20 U.S.C. 1101 et seq.; OMB Directive No. 15)

Sec. 606.8 What is a comprehensive development plan and what must it contain?

(a) A comprehensive development plan is an institution's strategy for achieving growth and self-sufficiency by strengthening its--[[Page 70150]]

(1) Academic programs; (2) Institutional management; and

(3) Fiscal stability.

(b) The comprehensive development plan must include the following:

(1) An analysis of the strengths, weaknesses, and significant problems of the institution's academic programs, institutional management, and fiscal stability.

(2) A delineation of the institution's goals for its academic programs, institutional management, and fiscal stability, based on the outcomes of the analysis described in paragraph (b)(1) of this section.

(3) Measurable objectives related to reaching each goal and timeframes for achieving the objectives.

(4) Methods and resources that will be used to institutionalize practices and improvements developed under the proposed project.

(5) Its five year plan to improve its services to Hispanic and other low-income students.(Authority: 20 U.S.C. 1101 et seq.)

Sec. 606.9 What are the type, duration, and limitations in the awarding of grants under this part?

(a)(1) Under this part, the Secretary may award planning grants and two types of development grants, individual development grants and cooperative arrangement development grants.

(2) Planning grants may be awarded for a period not to exceed one year.

(3) Either type of development grant may be awarded for a period of five years.

(b)(1) An institution that received an individual development grant of five years may not subsequently receive another individual development grant for a period of two years from the date on which the five-year grant terminates.

(2) A cooperative arrangement grant is not considered to be an individual development grant under paragraph (b)(1) of this section.

(Authority: 20 U.S.C. 1101c and 1103c)

Sec. 606.10 What activities may and may not be carried out under a grant?

(a) Planning grants. Under a planning grant, a grantee shall formulate--

(1) A comprehensive development plan described in Sec. 606.8; and

(2) An application for a development grant.

(b) Development grants--allowable activities. Under a development grant, except as provided in paragraph (c) of this section, a grantee shall carry out activities that implement its comprehensive development plan and hold promise for strengthening the institution. Activities that may be carried out include, but are not limited to--

(1) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and

research purposes.

(2) Construction, maintenance, renovation, and improvement in classrooms, libraries, laboratories, and other instructional facilities.

(3) Support of faculty exchanges, faculty development, curriculum development, academic instruction, and faculty fellowships to assist in attaining advanced degrees in the fellow's field of instruction.

(4) Purchase of library books, periodicals, and other educational materials, including telecommunications program material.

(5) Tutoring, counseling, and student service programs designed to improve academic success.

(6) Funds management, administrative management, and acquisition of equipment for use in strengthening funds management.

(7) Joint use of facilities, such as laboratories and libraries.

(8) Establishing or improving a development office to strengthen or improve contributions from alumni and the private sector.

(9) Establishing or improving an endowment fund, provided the grantee uses no more than 20 percent of its grant funds for this purpose and at least matches those grant funds with non-Federal funds.

(10) Creating or improving facilities for Internet or other distance learning academic instruction capabilities, including purchase or rental of telecommunications technology equipment or services.

(11) Establishing or enhancing a program of teacher education designed to qualify students to teach in public elementary or secondary schools.

(12) Establishing community outreach programs that will encourage elementary school and secondary school students to develop the academic skills and the interest to pursue postsecondary education.

(13) Expanding the number of Hispanic and other underrepresented graduate and professional students that can be served by the institution by expanding courses and institutional resources.

(14) Other activities that contribute to carrying out the purposes of this program.

(c) Development grants--unallowable activities. A grantee may not carry out the following activities or pay the following costs under a development grant:

(1) Activities that are not included in the grantee's approved application.

(2) Activities that are inconsistent with any State plan for higher education that is applicable to the institution, including, but not limited to, a State plan for desegregation of higher education.

(3) Activities or services that relate to sectarian instruction or religious worship.

(4) Activities provided by a school or department of divinity. For the purpose of this provision, a "school or department of divinity" means an institution, or a department of an institution, whose program is specifically for the education of students to prepare them to become ministers of religion or to enter into some other religious vocation or to prepare them to teach theological subjects.

(5) Developing or improving non-degree or non-credit courses other than basic skills development courses.

(6) Developing or improving community-based or community services programs, unless the program provides academic-related experiences or academic credit toward a degree for degree students, or, unless it is a program or services to encourage elementary and secondary school students to develop the academic skills and the interest to pursue postsecondary education.



(7) Purchase of standard office equipment, such as furniture, file cabinets, bookcases, typewriters, or word processors.

(8) Payment of any portion of the salary of a president, vice president, or equivalent officer who has college-wide administrative authority and responsibility at an institution to fill a position under the grant such as project coordinator or activity director.

(9) Costs of organized fund-raising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred solely to raise capital or obtain contributions.

(10) Costs of student recruitment such as advertisements, literature, and college fairs.

(11) Services to high school students, unless they are services to encourage such students to develop the skills and the interest to pursue postsecondary education.

(12) Instruction in the institution's standard courses as indicated in the institution's catalog.

(13) Costs for health and fitness programs, transportation, and day care services. [[Page 70151]]

(14) Student activities such as entertainment, cultural, or social enrichment programs, publications, social clubs, or associations.

(15) Activities that are operational in nature rather than developmental in nature. (Authority: 20 U.S.C. 1101 et seq.)

#### Subpart B--How Does an Institution Apply for a Grant?

##### Sec. 606.11 What must be included in individual development grant applications?

In addition to the information needed by the Secretary to determine whether the institution should be awarded a grant under the funding criteria contained in subpart C, an application for a development grant must include--

(a) The institution's comprehensive development plan;

(b) A description of the relationship of each activity for which grant funds are requested to the relevant goals and objectives of its plan;

(c) A description of any activities that were funded under previous development grants awarded under the Developing Hispanic-Serving Institutions Program that expired within five years of when the development grant will begin and the institution's justification for not completing the activities under the previous grant, if applicable;

(d) If the applicant is applying to carry out more than one activity--

(1) A description of those activities that would be a sound investment of Federal funds if funded separately;

(2) A description of those activities that would be a sound investment of Federal funds only if funded with the other activities; and

(3) A ranking of the activities in preferred funding order.

(Approved by the Office of Management and Budget under control number 1840-0114)

(Authority: 20 U.S.C. 1101 et seq.)

##### Sec. 606.12 What must be included in cooperative arrangement grant applications?

(a)(1) Institutions applying for a cooperative arrangement grant shall submit only one application for that grant regardless of the number of institutions participating in the cooperative arrangement.

(2) The application must include the names of each participating institution, the role of each institution, and the rationale for each eligible participating institution's decision to request grant funds as part of a cooperative arrangement rather than as an individual grantee.

(b) If the application is for a development grant, the application must contain--

(1) Each participating institution's comprehensive development plan;

(2) The information required under Sec. 606.11; and

(3) An explanation from each eligible participating institution of why participation in a cooperative arrangement grant rather than performance under an individual grant will better enable it to meet the goals and objectives of its comprehensive development plan at a lower cost.

(4) The name of the applicant for the group that is legally responsible for--

(i) The use of all grant funds; and

(ii) Ensuring that the project is carried out by the group in accordance with Federal requirements. (Approved by the Office of Management and Budget under control number 1840-0114)

(Authority: 20 U.S.C. 1103 and 1103e)

Sec. 606.13 How many applications for a development grant may an institution submit?

In any fiscal year, an institution of higher education may--

(a) Submit an application for an individual development grant; and

(b) Be part of a cooperative arrangement application.

(Authority: 20 U.S.C. 1101 et seq.)

Subpart C--How Does the Secretary Make an Award?

Sec. 606.20 How does the Secretary choose applications for funding?

(a) The Secretary evaluates an application on the basis of the criteria in--

(1) Sections 606.21 and 606.23 for a planning grant; and

(2) Sections 606.22, 606.23, 600.24, and 606.25 for a development grant.

(b)(1) The Secretary awards up to 100 points for the criteria in Sec. 606.21 and up to 100 points for the criteria in Sec. 606.22.

(2) The maximum possible score for each complete criterion is in parentheses.

(c)(1) The Secretary considers funding an application for a planning grant that scores at least 50 points under Sec. 606.21.

(2) The Secretary considers funding an application for a development grant that-- (i) Scores at least 50 points under Sec. 606.22;

(ii) Is submitted with a comprehensive development plan that satisfies all the elements required of such a plan under Sec. 606.8; and

(iii) In the case of an application for a cooperative arrangement grant, demonstrates that the grant will enable each eligible participant to meet the goals and objectives of its comprehensive development plan better and at a lower cost than if each eligible participant were funded individually. (Authority: 20 U.S.C. 1101 et seq.)

Sec. 606.21 What are the selection criteria for planning grants?

The Secretary uses the following criteria to evaluate an application to determine whether the applicant will produce a good comprehensive development plan and a fundable application:

(a) Design of the planning process. (Total: 60 points) The Secretary reviews each application to determine the quality of the planning process that the applicant will use to develop a comprehensive development plan and an application for a development grant based on the extent to which--

(1) The planning process is clearly and comprehensively described and based on sound planning practice (15 points);

(2) The president or chief executive officer, administrators and other institutional personnel, students, and governing board members systematically and consistently will be involved in the planning process (15 points);

(3) The applicant will use its own resources to help implement the project (10 points); and

(4) The planning process is likely to achieve its intended results

(20 points). (b) Key personnel. (Total: 20 points) The Secretary reviews each

application to determine the quality of key personnel to be involved in the project based on the extent to which--

(1) The past experience and training of key personnel such as the project coordinator and persons who have key roles in the planning process are suitable to the tasks to be performed (10 points); and

(2) The time commitments of key personnel are adequate (10 points).

(c) Project Management. (Total: 15 points) The Secretary reviews each application to determine the quality of the plan to manage the project effectively based on the extent to which--

(1) The procedures for managing the project are likely to ensure effective and efficient project implementation (10 points); and

(2) The project coordinator has sufficient authority, including access to the president or chief executive officer, to conduct the project effectively (5 points).

(d) Budget. (Total: 5 points) The Secretary reviews each application to

[[Page 70152]]  
determine the extent to which the proposed project costs are necessary and reasonable. (Approved by the Office of Management and Budget under control number 1840-0114)(Authority: 20 U.S.C. 1101 et seq.)

Sec. 606.22 What are the selection criteria for development grants?

The Secretary uses the following criteria to evaluate applications for development grants:

(a) Quality of the applicant's comprehensive development plan. (Total: 30 points) The extent to which--

(1) The strengths, weaknesses, and significant problems of the institution's academic programs, institutional management, and fiscal stability are clearly and comprehensively analyzed and result from a process that involved major constituencies of the institution. (12points);

(2) The goals for the institution's academic programs, institutional management, and fiscal stability are realistic and based on comprehensive analysis. (5 points);

(3) The objectives stated in the plan are measurable, related to institutional goals, and, if achieved, will contribute to the growth and self-sufficiency of the institution (5 points);

(4) The plan clearly and comprehensively describes the methods and resources the institution will use to institutionalize practice and improvements developed under the proposed project, including, in particular, how operational costs for personnel, maintenance, and upgrades of equipment will be paid with institutional resources (8points).

(b) Quality of activity objectives. (Total: 10 points) The extent to which the objectives for each activity are--

(1) Realistic and defined in terms of measurable results (5points); and

(2) Directly related to the problems to be solved and to the goals of the comprehensive development plan (5 points).

(c) Quality of implementation strategy. (Total: 25 points) The extent to which--

(1) The implementation strategy for each activity is comprehensive (10 points);

(2) The rationale for the implementation strategy for each activity is clearly described and is supported by the results of relevant studies or projects (10 points); and

(3) The timetable for each activity is realistic and likely to be attained (5 points).

(d) Quality of key personnel. (Total: 10 points) The extent to which--

(1) The past experience and training of key professional personnel are directly related to the stated activity objectives (7 points); and

(2) The time commitment of key personnel is realistic (3 points).

(e) Quality of project management plan. (Total: 10 points) The extent to which--

(1) Procedures for managing the project are likely to ensure efficient and effective project implementation (5 points); and

(2) The project coordinator and activity directors have sufficient authority to conduct the project effectively, including access to the president or chief executive officer (5 points).

(f) Quality of evaluation plan. (Total: 10 points) The extent to which--

(1) The data elements and the data collection procedures are clearly described and appropriate to measure the attainment of activity objectives and to measure the success of the project in achieving the goals of the comprehensive development plan (5 points); and

(2) The data analysis procedures are clearly described and are likely to produce formative and summative results on attaining activity objectives and measuring the success of the project on achieving the goals of the comprehensive development plan (5 points).

(g) Budget. (Total: 5 points) The extent to which the proposed costs are necessary and reasonable in relation to the project's objectives and scope. (Approved by the Office of Management and Budget under control number 1840-0114)(Authority: 20 U.S.C. 1101 et seq.)  
Sec. 606.23 What special funding consideration does the Secretary provide?

(a) If funds are available to fund only one additional planning grant and each of the next fundable applications has received the same number of points under Sec. 606.21, the Secretary awards additional points, up to a maximum of two points, to any of those applicants that--

(1) Has an endowment fund of which the current market value, per full-time equivalent enrolled student, is less than the average current market value of the endowment funds, per full-time equivalent enrolled student, at similar type institutions; (one point) or

(2) Has expenditures for library materials per full-time equivalent enrolled student which are less than the average expenditure for library materials per full-time equivalent enrolled student at similar type institutions. (one point)

(b) If funds are available to fund only one additional development grant and each of the next fundable applications has received the same number of points under Sec. 606.22, the Secretary will award additional points, up to a maximum of three points, to any of those applicants that--

(1) Has an endowment fund of which the current market value, per full-time equivalent enrolled student, is less than the average current market value of the endowment funds, per full-time equivalent enrolled student, at comparable institutions that offer similar instruction;(one point)

(2) Has expenditures for library materials per full-time equivalent enrolled student that are less than the average expenditures for library materials per full-time equivalent enrolled student at comparable institutions that offer similar instruction (one point); or

(3) Propose to carry out one or more of the following activities--

(i) Faculty development; (ii) Funds and administrative management;

(iii) Development and improvement of academic programs;

(iv) Acquisition of equipment for use in strengthening management and academic programs; (v) Joint use of facilities; and

(vi) Student services. (one point)

(c) As used in this section, an "endowment fund" does not include any fund established or supported under 34 CFR part 628.

(d) Each year, the Secretary provides prospective applicants with the average market value of endowment funds and the average expenditure of library materials per full-time equivalent student.

(e) The Secretary gives priority to each application that contains satisfactory evidence that the applicant has entered into or will enter into a collaborative arrangement with at least one local educational agency or community-based organization to provide that agency or organization with assistance (from funds other than funds provided under this part) in--

(1) Reducing the dropout rates of Hispanic students;

(2) Improving rates of academic achievement of Hispanic students; and

(3) Increasing the rates at which Hispanic high school graduates enroll in higher education. (Authority: 20 U.S.C. 1101 et seq.)

Sec. 606.24 How does the Secretary use an applicant's performance under a previous development grant when awarding a development grant?

(a)(1) In addition to evaluating an application under the selection criteria in Sec. 606.22, the Secretary evaluates an applicant's performance under any previous development grant awarded under the Developing Hispanic-Serving Institutions Program that expired within five years of the year when the development grant will begin.

(2) The Secretary evaluates whether the applicant fulfilled, or is making substantial progress toward fulfilling, the goals and objectives of the previous grant, including, but not limited to, the applicant's success in institutionalizing practices developed and improvements made under the grant. (3) The Secretary bases the evaluation of the applicant's performance on information contained in--

(i) Performance and evaluation reports submitted by the applicant;

(ii) Audit reports submitted on behalf of the applicant; and

(iii) Other information obtained by the Secretary, including reports prepared by the Department.

(b) If the Secretary initially determines that the applicant did not fulfill the goals and objectives of a previous grant or is not making substantial progress towards fulfilling those goals and objectives, the Secretary affords the applicant the opportunity to respond to that initial determination.

(c) If the Secretary determines that the applicant did not fulfill the goals and objectives of a previous grant or is not making substantial progress towards fulfilling those goals and objectives, the Secretary may--

(1) Decide not to fund the applicant; or

(2) Fund the applicant but impose special grant terms and conditions, such as specific reporting and monitoring requirements.

(Authority: 20 U.S.C. 1101 et seq.)

Sec. 606.25 What priority does the Secretary use in awarding cooperative arrangement grants?

Among applications for cooperative arrangement grants, the Secretary gives priority to proposed cooperative arrangements that are geographically and economically sound, or will benefit the institutions applying for the grant. (Authority: 20 U.S.C. 1101 et seq.)

Subpart D--What Conditions Must a Grantee Meet?

Sec. 606.30 What are allowable costs and what are the limitations on allowable costs?

(a) Allowable costs. Except as provided in paragraphs (b) and (c) of this section, a grantee may expend grant funds for activities that

are related to carrying out the allowable activities included in its approved application.

(b) Supplement and not supplant. Grant funds shall be used so that they supplement and, to the extent practical, increase the funds that would otherwise be available for the activities to be carried out under the grant and in no case supplant those funds.

(c) Limitations on allowable costs. A grantee may not use an indirect cost rate to determine allowable costs under its grant.

(Authority: 20 U.S.C. 1101 et seq.)

Sec. 606.31 How does a grantee maintain its eligibility?

(a) A grantee shall maintain its eligibility under the requirements in Sec. 606.2, except for Sec. 606.2(a)(3) and (4), for the duration of the grant period.

(b) The Secretary reviews an institution's application for a continuation award to ensure that--

(1) The institution continues to meet the eligibility requirements described in paragraph (a) of this section; and

(2) The institution is making substantial progress toward achieving the objectives described in its grant application including, if applicable, the institution's success in institutionalizing practices and improvements developed under the grant.

## **PART 607-STRENGTHENING INSTITUTIONS PROGRAM**

### ***Subpart A-General***

**607.1 What is the Strengthening Institutions Program?**

**607.2 What institutions are eligible to receive a grant under the Strengthening Institutions Program?**

**607.3 What is an enrollment of needy students?**

**607.4 What are low educational and general expenditures?**

**607.5 How does an institution apply to be designated an eligible institution?**

**607.6 What regulations apply?**

**607.7 What definitions apply?**

**607.8 What is a comprehensive development plan and what must it contain?**

**607.9 What are the type, duration and limitations in the awarding of grants under this part?**

**607.10 What activities may and may not be carried out under a grant?**

### ***Subpart B-How Does an Institution Apply for a Grant?***

**607.11 What must be included in individual development grant applications?**

**607.12 What must be included in cooperative arrangement grant applications?**

**607.13 How many applications for a development grant may an institution submit?**

### ***Subpart C-How Does the Secretary Make an Award?***

**607.20 How does the Secretary choose applications for funding?**

**607.21 What are the selection criteria for planning grants?**

**607.22 What are the selection criteria for development grants?**

**607.23 What special funding consideration does the Secretary provide?**

**607.24 How does the Secretary use an applicant's performance under a previous development grant when awarding a development grant?**

**607.25 What priority does the Secretary use in awarding cooperative arrangement grants?**

### ***Subpart D-What Conditions Must a Grantee Meet?***

**607.30 What are allowable costs and what are the limitations on allowable costs?**

**607.31 How does a grantee maintain its eligibility?**

**Authority: 20 U.S.C. 1057-1059c, 1066-1069f, unless otherwise noted.**

**Source: 52 FR 30529, Aug. 14, 1987, unless otherwise noted.**

## **Subpart A-General**

### **607.1 What is the Strengthening Institutions Program?**

The purpose of the Strengthening Institutions Program is to provide grants to eligible institutions of higher education to improve their academic programs, institutional management, and fiscal stability in order to increase their self-sufficiency and strengthen their capacity to make a substantial contribution to the higher education resources of the Nation.

(Authority: 20 U.S.C. 1057)

[59 FR 41921, Aug. 15, 1994]

### **607.2 What institutions are eligible to receive a grant under the Strengthening Institutions Program?**

(a) Except as provided in paragraphs (b) and (c) of this section, an institution of higher education is eligible to receive a grant under the Strengthening Institutions Program if-

(1) It has an enrollment of needy students as described in 607.3(a), unless the Secretary waives this requirement under 607.3(b);

(2) It has low average educational and general expenditures per full-time equivalent undergraduate student as described in 607.4(a), unless the Secretary waives this requirement under 607.4(c).

(3) It is legally authorized by the State in which it is located to be a junior college or to provide an educational program for which it awards a bachelor's degree; and

(4) It is accredited or pre-accredited by a nationally recognized accrediting agency or association that the Secretary has determined to be a reliable authority as to the quality of education or training offered.

(b) A branch campus of an institution of higher education, if the institution as a whole meets the requirements of paragraphs (a)(1) through (4) of this section, is eligible to receive a grant under the Strengthening Institutions Program even if, by itself, it does not satisfy the requirements of paragraphs (a)(3) and (a)(4) of this section, although the branch must meet the requirements of paragraphs (a)(1) and (a)(2) of this section.

(c) For the purpose of paragraphs (b) and (c) of this section, an institution's enrollment consists of a head count of its entire student body.

(d) A Hispanic-serving institution (HSI) may receive a grant authorized under 316 of the HEA if-

(1) It is an eligible institution under this part;

(2) It provides assurances that-

(i) When it applies for a grant, its enrollment of undergraduate full-time equivalent students is at least 25 percent Hispanic students ;

(ii) Not less than 50 percent of its Hispanic students are low-income individuals who are first generation college students; and

(iii) Another 25 percent of its Hispanic students are either low-income individuals or first generation college students.

(e)

(1) An institution that qualifies for a grant under the Strengthening Historically Black Colleges and Universities Program (34 CFR Part 608) or the Hispanic-Serving Institution Program (20 U.S.C. 1059c) and receives a grant under either of these programs for a particular fiscal year is not eligible to receive a grant under the Strengthening Institutions Program for that same fiscal year.

(2) An HSI that receives a grant under 316 of the HEA may not concurrently receive grant funds under the Strengthening Institutions program, Strengthening Historically Black Colleges and Universities program, or Strengthening Historically Black Graduate Institutions program.

(Authority: 20 U.S.C. 1057 et seq.)

[59 FR 41922, Aug. 15, 1994, as amended at 60 FR 15447, Mar. 23, 1995]

### **607.3 What is an enrollment of needy students?**

(a) Except as provided in paragraph (b) of this section, for the purpose of 607.2(a)

- (1) an applicant institution has an enrollment of needy students if in the base year-
  - (1) At least 50 percent of its degree students received student financial assistance under one or more of the following programs: Pell Grant, Supplemental Educational Opportunity Grant, College Work-Study, and Perkins Loan; or
  - (2) The percentage of its undergraduate degree students who were enrolled on at least a half-time basis and received Pell Grants exceeded the median percentage of undergraduate degree students who were enrolled on at least a half-time basis and received Pell Grants at comparable institutions that offer similar instruction.
- (b) The Secretary may waive the requirement contained in paragraph (a) of this section if the institution demonstrates that-
  - (1) The State provides more than 30 percent of the institution's budget and the institution charges not more than \$99.00 for tuition and fees for an academic year;
  - (2) At least 30 percent of the students served by the institution in the base year were students from low-income families;
  - (3) The institution substantially increases the higher education opportunities for low-income students who are also educationally disadvantaged, underrepresented in postsecondary education, or minority students;
  - (4) The institution substantially increases the higher education opportunities for individuals who reside in an area that is not included in a "metropolitan statistical area" as defined by the Office of Management and Budget and who are unserved by other postsecondary institutions;
  - (5) The institution is located on or within 50 miles of an Indian reservation, or a substantial population of Indians and the institution will, if granted the waiver, substantially increase higher education opportunities for American Indians; or
  - (6) The institution will, if granted the waiver, substantially increase the higher education opportunities for Black Americans, Hispanic Americans, Native Americans, Asian Americans or Pacific Islanders, including Native Hawaiians.
- (c) For the purpose of paragraph (b) of this section, the Secretary considers "low-income" to be an amount which does not exceed 150 percent of the amount equal to the poverty level as established by the United States Bureau of the Census.
- (d) Each year, the Secretary notifies prospective applicants through a notice in the Federal Register of the low-income figures.

(Authority: 20 U.S.C. 1058 and 1067)

[52 FR 30529, Aug. 14, 1987, as amended at 60 FR 15447, Mar. 23, 1995]

#### **607.4 What are low educational and general expenditures**

- (a)
  - (1) Except as provided in paragraph (b) of this section, for the purpose of 6072(a)(2), an applicant institution's average educational and general expenditures per full-time equivalent undergraduate student in the base year must be less than the average educational and general expenditures per full-time equivalent undergraduate student of comparable institutions that offer similar instruction in that year.
  - (2) For the purpose of paragraph (a)(1) of this section, the Secretary determines the average educational and general expenditure per FTE undergraduate student for institutions with graduate students that do not differentiate between graduate and undergraduate E&G expenditures by discounting the graduate enrollment using a factor of 2.5 times the number of graduate students.
- (b) Each year, the Secretary notifies prospective applicants through a notice in the Federal Register of the average educational and general expenditures per full-time equivalent undergraduate student at comparable institutions that offer similar instruction.
- (c) The Secretary may waive the requirement contained in paragraph (a) of this section, if the Secretary determines, based upon persuasive evidence provided by the institution, that-
  - (1) The institution's failure to satisfy the criteria in paragraph (a) of this section was due to factors which, if used in determining compliance with those criteria, distorted that determination; and
  - (2) The institution's designation as an eligible institution under this part is otherwise consistent with the purposes of this part.
- (d) For the purpose of paragraph (c)(1) of this section, the Secretary considers that the following factors may distort an institution's educational and general expenditures per full-time equivalent undergraduate student-



- (1) Low student enrollment;
- (2) Location of the institution in an unusually high cost-of-living area;
- (3) High energy costs;
- (4) An increase in State funding that was part of a desegregation plan for higher education; or
- (5) Operation of high cost professional schools such as medical or dental schools.

(Authority: 20 U.S.C. 1058 and 1067)

[59 FR 41922, Aug. 15, 1994]

#### **607.5 How does an institution apply to be designated an eligible institution?**

An institution shall apply to the Secretary to be designated an eligible institution under the Strengthening Institutions Program by submitting an application to the Secretary in the form, manner and time established by the Secretary. The application must contain-

- (a) The information necessary for the Secretary to determine whether the institution satisfies the requirements of 607.2, 607.3(a) and 607.4(a);
- (b) Any waiver request under 607.3(b) and 607.4(c); and
- (c) Information or explanations justifying any requested waiver.

(Authority: 20 U.S.C. 1058 and 1067)

#### **607.6 What regulations apply?**

The following regulations apply to the Strengthening Institutions Program:

- (a) The Education Department General Administrative Regulations (EDGAR) as follows:

- (1) 34 CFR Part 74 (Administration of Grants to Institutions of Higher Education, Hospitals, and Nonprofit Organizations).
- (2) 34 CFR Part 75 (Direct Grant Programs), except 34 CFR 75.128(a)(2) and 75.129(a) in the case of applications for cooperative arrangements.
- (3) 34 CFR Part 77 (Definitions that Apply to Department Regulations).
- (4) 34 CFR Part 79 (Intergovernmental Review of Department of Education Programs and Activities).
- (5) 34 CFR Part 82 (New Restrictions on Lobbying).
- (6) 34 CFR Part 85 (Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (Grants)).
- (7) 34 CFR Part 86 (Drug-Free Schools and Campuses).

- (b) The regulations in this Part 607.

(Authority: 20 U.S.C. 1057)

#### **607.7 What definitions apply?**

- (a) Definitions in EDGAR. The following terms that apply to the Institutional Aid Programs are defined in 34 CFR 77.1:

EDGAR

Fiscal year

Grant

Grantee

Grant period

Nonprofit

Private

Project period

Public

Secretary

State

- (b) The following terms used in this part are defined in 316 of the HEA:

First generation college student

Hispanic-serving institution

Low-income individuals

(c) The following definitions also apply to this part:

Accredited means the status of public recognition which a nationally recognized accrediting agency or association grants to an institution which meets certain established qualifications and educational standards.

Activity means an action that is incorporated into an implementation plan designed to meet one or more objectives.

An activity is a part of a project and has its own budget that is approved to carry out the objectives of that subpart.

Base year means the second fiscal year preceding the fiscal year for which an institution seeks a grant under this part.

Branch campus means a unit of a college or university that is geographically apart from the main campus of the college or university and independent of that main campus. The Secretary considers a unit of a college or university to be independent of the main campus if the unit-

- (1) Is permanent in nature;
- (2) Offers courses for credit and programs leading to an associate or bachelor's degree; and
- (3) Is autonomous to the extent that it has -
  - (i) Its own faculty and administrative or supervisory organization; and
  - (ii) Its own budgetary and hiring authority.

College Work-Study Program means the part-time employment program authorized under title IV-C of the HEA.

Comparable institutions that offer similar instruction means institutions that are being compared with an applicant institution and that fall within one of the following four categories-

- (1) Public junior or community colleges;
- (2) Private nonprofit junior or community colleges;
- (3) Public institutions that offer an educational program for which they offer a bachelor's degree; or
- (4) Private nonprofit institutions that offer an educational program for which they offer a bachelor's degree.

Cooperative arrangement means an arrangement to carry out allowable grant activities between an institution eligible to receive a grant under this part and another eligible or ineligible institution of higher education, under which the resources of the cooperating institutions are combined and shared to better achieve the purposes of this part and avoid costly duplication of effort.

Degree student means a student who enrolls at an institution for the purpose of obtaining the degree, certificate, or other recognized educational credential offered by that institution.

Developmental program and services means new or improved programs and services, beyond those regularly budgeted, specifically designed to improve the self sufficiency of the school.

Educational and general expenditures means the total amount expended by an institution of higher education for instruction, research, public service, academic support (including library expenditures), student services, institutional support, scholarships and fellowships, operation and maintenance expenditures for the physical plant, and any mandatory transfers which the institution is required to pay by law.

Educationally disadvantaged means a college student who requires special services and assistance to enable them to succeed in higher education. The phrase includes, but is not limited to, students who come from-

- (1) Economically disadvantaged families;
- (2) Limited English proficiency families;
- (3) Migrant worker families; or
- (4) Families in which one or both of their parents have dropped out of secondary school.

Full-time equivalent students means the sum of the number of students enrolled full-time at an institution, plus the full-time equivalent of the number of students enrolled part time (determined on the basis of the quotient of the sum of the credit hours of all part-time students divided by 12) at such institution.

HEA means the Higher Education Act of 1965, as amended.

Hispanic student means a person of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.

Institution of higher education means an educational institution defined in 1201(a) of the HEA.

Junior or community college means an institution of higher education-

- (1) That admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located and who have the ability to benefit from the training offered by the institution;
- (2) That does not provide an educational program for which it awards a bachelor's degree (or an equivalent degree); and
- (3) That-

(i) Provides an educational program of not less than 2 years that is acceptable for full credit toward such a degree, or

(ii) Offers a 2-year program in engineering, mathematics, or the physical or biological sciences, designed to prepare a student to work as a technician or at the semiprofessional level in engineering, scientific, or other technological fields requiring the understanding and application of basic engineering, scientific, or mathematical principles of knowledge.

Minority student means a student who is Alaskan Native, American Indian, Asian-American, Black (African-American), Hispanic American, Native Hawaiian, or Pacific Islander.

Nationally recognized accrediting agency or association means an accrediting agency or association that the Secretary has recognized to accredit or pre-accredited a particular category of institution in accordance with the provisions contained in 34 CFR part 603. The Secretary periodically publishes a list of those nationally recognized accrediting agencies and associations in the Federal Register.

Operational programs and services means the regular, ongoing budgeted programs and services at an institution.

Pell Grant Program means the grant program authorized by title IV-A-1 of the HEA.

Perkins Loan Program, formerly called the National Direct Student Loan Program, means the loan program authorized by title IV-E of the HEA.

Pre-accredited means a status that a nationally recognized accrediting agency or association, recognized by the Secretary to grant that status, has accorded an unaccredited institution that is progressing toward accreditation within a reasonable period of time.

Project means all the funded activities under a grant.

Self-sufficiency means the point at which an institution is able to survive without continued funding under the Strengthening Institutions Program.

Special Needs Program means the program authorized by part B of title III of the HEA before part B was amended by the Higher Education Amendments of 1986.

Supplemental Education Opportunity Grant means the grant program authorized by title IV A-2 of the HEA.

Underrepresented means proportionate representation as measured by degree recipients, that is less than the proportionate representation in the general population-

(1) As indicated by-

(i) The most current edition of the Department's Digest of Educational Statistics;

(ii) The National Research Council's Doctorate Recipients from United States Universities; or

(iii) Other standard statistical references, as announced annually in the Federal Register notice inviting applications for new awards under this program; or

(2) As documented by national survey data submitted to and accepted by the Secretary on a case-by-case basis.

(Authority: 20 U.S.C. 1051, 1057-1059 and 1066-1069f; OMB Directive No. 15)

[52 FR 30529, Aug. 14, 1987, as amended at 59 FR 41922, Aug. 15, 1994; 60 FR 15447, Mar. 23, 1995]

#### **607.8 What is a comprehensive development plan and what must it contain?**

(a) A comprehensive development plan is an institution's strategy for achieving growth and self-sufficiency by strengthening its-

(1) Academic programs;

(2) Institutional management; and

(3) Fiscal stability.

(b) The comprehensive development plan must include the following:

(1) An analysis of the strengths, weaknesses, and significant problems of the institution's academic programs, institutional management, and fiscal stability.

(2) A delineation of the institution's goals for its academic programs, institutional management, and fiscal stability, based on the outcomes of the analysis described in paragraph (b)(1) of this section.

(3) Measurable objectives related to reaching each goal and timeframes for achieving the objectives.

(4) Methods and resources that will be used to institutionalize practices and improvements developed under the proposed project.

(Authority: 20 U.S.C. 1066)

#### **607.9 What are the type, duration and limitations in the awarding of grants under this part?**

(a)

(1) Under this part, the Secretary may award planning grants and two types of development grants, individual development grants and cooperative arrangement development grants.

(2) Planning grants may be awarded for a period not to exceed one year.

(3) Either type of development grant may be awarded for a period of five years.

(b)

(1) An institution that receives a planning grant may not subsequently receive another planning grant but may subsequently receive a development grant after its planning grant expires.

(2) An institution that receives a development grant of up to three years may subsequently receive another development grant after its development grant expires.

(3) An institution that receives a development grant of four years may not subsequently receive another development grant for a period of eight years from the date it received the four year grant.

(4) An institution that receives a development grant of five years may not subsequently receive another development grant for a period of ten years from the date it received the five year grant. ...

#### **607.10 What activities may and may not be carried out under a grant?**

(a) Planning grants. Under a planning grant, a grantee shall formulate-

(1) A comprehensive development plan described in 607.8; and

(2) An application for a development grant.

(b) Development grants-allowable activities. Under a development grant, except as provided in paragraph (c) of this section, a grantee shall carry out activities that implement its comprehensive development plan and hold promise for strengthening the institution. Activities that may be carried out include, but are not limited to-

(1) Faculty development that provides faculty with the skills and knowledge needed to-

(i) Develop academic support services, including advising and mentoring students;

(ii) Develop academic programs or methodology, including computer-assisted instruction, that strengthen the academic quality of the institution; or

(iii) Acquire terminal degrees that are required to obtain or retain accreditation of an academic program or department;

(2) Funds and administrative management that will improve the institution's ability to-

(i) Manage financial resources in an efficient and effective manner; and

(ii) Collect, access, and use information about the institution's operations for improved decision making;

(3) Developing and improving academic programs that enable the institution to-

(i) Develop new academic programs or new program options that show promise for increased student enrollment;

(ii) Provide new technology or methodology to increase student success and retention or to retain accreditation; or

(iii) Improve curriculum or methodology for existing academic programs to stabilize or increase student enrollment;

(4) Acquiring equipment for use in strengthening management and academic programs to achieve objectives such as those described in paragraphs (b)(2) and (b)(3) of this section;

(5) Establishing or increasing the joint use of facilities such as libraries and laboratories to-

(i) Eliminate the distance and high cost associated with providing academic programs and academic support; or

(ii) Provide clinical experience that is part of an approved academic program at off-campus locations;

(6) Developing or improving student services to provide-

(i) New or improved methods to deliver student services, including counseling, tutoring, and instruction in basic skills; or

(ii) Improved strategies to train student services personnel;

(7) Payment of any portion of the salary of a dean, with proper justification, to fill a position under the project such as project coordinator or activity director. For purposes of this paragraph, proper justification includes evidence that the position entitled "Dean" is not one that has college-wide administrative authority and responsibility; or

(8) For grants authorized under 316 of the HEA to HSIs-

(i) Purchase, rental, or lease of scientific or laboratory equipment for educational purposes, including instructional and research purposes;

(ii) Renovation and improvement in classroom, library, laboratory, and other instructional facilities;

(iii) Support of faculty exchanges, faculty development, and faculty fellowships to assist in attaining advanced

degrees in their field of instruction;

(iv) Curriculum development and academic instruction;

(v) Purchase of library books, periodicals, microfilm, and other educational materials;

(vi) Funds and administrative management, and acquisition of equipment for use in strengthening funds management;

(vii) Joint use of facilities such as laboratories and libraries; and

(viii) Academic tutoring and counseling programs and student support services.

(c) Development grants-unallowable activities. A grantee may not carry out the following activities or pay the following costs under a development grant:

(1) Activities that are not included in the grantee's approved application.

(2) Activities that are inconsistent with any State plan for higher education that is applicable to the institution, including, but not limited to, a State plan for desegregation of higher education.

(3) Activities or services that relate to sectarian instruction or religious worship.

(4) Activities provided by a school or department of divinity. For the purpose of this provision, a "school or department of divinity" means an institution, or a department of an institution, whose program is specifically for the education of students to prepare them to become ministers of religion or to enter into some other religious vocation or to prepare them to teach theological subjects.

(5) Developing or improving non-degree or non-credit courses other than basic skills development courses.

(6) Developing or improving community-based or community services programs, unless the program provides academic-related experiences or academic credit toward a degree for degree students.

(7) Purchase of standard office equipment, such as furniture, file cabinets, bookcases, typewriters, or word processors.

(8) Payment of any portion of the salary of a president, vice president, or equivalent officer who has college-wide administrative authority and responsibility at an institution to fill a position under the grant such as project coordinator or activity director.

(9) Costs of organized fund-raising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred solely to raise capital or obtain contributions.

(10) Costs of student recruitment such as advertisements, literature, and college fairs.

(11) Services to high school students.

(12) Instruction in the institution's standard courses as indicated in the institution's catalog.

(13) Costs for health and fitness programs, transportation, and day care services.

(14) Student activities such as entertainment, cultural, or social enrichment programs, publications, social clubs, or associations.

(15) Activities that are operational in nature rather than developmental in nature.

(Authority: 20 U.S.C. 1057 et seq.)

[52 FR 30529, Aug. 14, 1987, as amended at 59 FR 41923, Aug. 15, 1994; 60 FR 15447, Mar. 23, 1995]

Subpart B-How Does an Institution Apply for a Grant?

#### **607.11 What must be included in individual development grant applications?**

In addition to the information needed by the Secretary to determine whether the institution should be awarded a grant under the funding criteria contained in subpart C, an application for a development grant must include-

(a) The institution's comprehensive development plan;

(b) A description of the relationship of each activity for which grant funds are requested to the relevant goals and objectives of its plan;

(c) A description of any activities that were funded under previous development grants awarded under the Strengthening Institutions of Special Needs Program that expired within five years of when the development grant will begin and the institution's justification for not completing the activities under the previous grant;

(d) The provisions required by 351 of the HEA which are not specified in other sections of this part. These provisions require that an institution applying for more than one activity shall-

(1) Identify those activities that would be a sound investment of Federal funds if funded separately;

(2) Identify those activities that would be a sound investment of Federal funds only if funded with the other activities; and

(3) Rank the activities in preferred funding order; and

(e) For a grant under 316 of the HEA to an HSI, as a part of the applicant's Comprehensive Development Plan (CDP) required in 607.8, a five-year plan for improving the assistance provided by the HSI to Hispanic and other low-income students.

(Approved by the Office of Management and Budget under control number 1840-0114)

(Authority: 20 U.S.C. 1057 et seq.)

[52 FR 30529, Aug. 14, 1987, as amended at 59 FR 41924, Aug. 15, 1994; 60 FR 15447, Mar. 23, 1995]

#### **607.12 What must be included in cooperative arrangement grant applications?**

(a)

(1) Institutions applying for a cooperative arrangement grant shall submit only one application for that grant regardless of the number of institutions participating in the cooperative arrangement.

(2) The application must include the names of each participating institution, the role of each institution, and the rationale for each eligible participating institution's decision to request grant funds as part of a cooperative arrangement rather than as an individual grantee.

(b) If the application is for a development grant, the application must contain-

(1) Each participating institution's comprehensive development plan;

(2) The information required under 607.11; and

(3) An explanation from each eligible participating institution of why participation in a cooperative arrangement grant rather than performance under an individual grant will better enable it to meet the goals and objectives of its comprehensive development plan at a lower cost.

(4) The name of the applicant for the group that is legally responsible for-

(i) The use of all grant funds; and

(ii) Ensuring that the project is carried out by the group in accordance with Federal requirements.

(Approved by the Office of Management and Budget under control number 1840-0114)

(Authority: 20 U.S.C. 1066 and 1069)

[52 FR 30529, Aug. 14, 1987, as amended at 59 FR 41924, Aug. 15, 1994]

#### **607.13 How many applications for a development grant may an institution submit?**

In any fiscal year, an institution of higher education may-

(a) Submit an application for an individual development grant; and

(b) Be part of a cooperative arrangement application.

(Authority: 20 U.S.C. 1057, 1069)

[59 FR 41924, Aug. 15, 1994]

### **Subpart C-How Does the Secretary Make an Award?**

#### **607.20 How does the Secretary choose applications for funding?**

(a) The Secretary evaluates an application on the basis of the criteria in-

(1) Sections 607.21 and 607.23 for a planning grant; and

(2) Sections 607.22, 607.23, and 607.25 for a development grant.

(b)

(1) With regard to applicants that satisfy the requirements of paragraph (d) of this section, for each fiscal year, the Secretary awards development grants to applicants that are not, or were not, individual grantees under this part during the fiscal year, before the Secretary awards a development grant to any applicant that is or was an individual grantee under this part during the fiscal year.

(2) For purposes of paragraph (b)(1) of this section, an institution that is a recipient of a cooperative arrangement grant is not an individual grantee under this part.

(c)

(1) The Secretary awards up to 100 points for the criteria in 607.21 and up to 100 points for the criteria in 607.22.

(2) The maximum possible score for each complete criterion is in parentheses.

(d)

(1) The Secretary considers funding an application for a planning grant that scores at least 50 points under 607.21.

(2) The Secretary considers funding an application for a development grant that-

(i) Scores at least 50 points under 607.22;

(ii) Is submitted with a comprehensive development plan that satisfies all the elements required of such a plan under 607.8; and

(iii) In the case of an application for a cooperative arrangement grant, demonstrates that the grant will enable each eligible participant to meet the goals and objectives of its comprehensive development plan better and at a lower cost than if each eligible participant were funded individually.

(Authority: 20 U.S.C. 1057-1059, 1066-1069f)

#### **607.21 What are the selection criteria for planning grants?**

The Secretary uses the following criteria to evaluate an application to determine whether the applicant will produce a good comprehensive development plan and a fundable Strengthening Institutions Program application:

(a) Design of the planning process. (Total: 60 points) The Secretary reviews each application to determine the quality of the planning process that the applicant will use to develop a comprehensive development plan and an application for a development grant based on the extent to which-

(1) The planning process is clearly and comprehensively described and based on sound planning practice (15 points);

(2) The president or chief executive officer, administrators and other institutional personnel, students, and governing board members systematically and consistently will be involved in the planning process (15 points);

(3) The applicant will use its own resources to help implement the project (10 points); and

(4) The planning process is likely to achieve its intended results (20 points).

(b) Key personnel. (Total: 20 points) The Secretary reviews each application to determine the quality of key personnel to be involved in the project based on the extent to which-

(1) The past experience and training of key personnel such as the project coordinator and persons who have key roles in the planning process are suitable to the tasks to be performed (10 points); and

(2) The time commitments of key personnel are adequate (10 points).

(c) Project Management. (Total: 15 points) The Secretary reviews each application to determine the quality of the plan to manage the project effectively based on the extent to which-

(1) The procedures for managing the project are likely to ensure effective and efficient project implementation (10 points); and

(2) The project coordinator has sufficient authority, including access to the president or chief executive officer, to conduct the project effectively (5 points).

(d) Budget. (Total: 5 points) The Secretary reviews each application to determine the extent to which the proposed project costs are necessary and reasonable.

(Approved by the Office of Management and Budget under control number 1840-0114)

(Authority: 20 U.S.C. 1057-1059, 1066-1069)

#### **607.22 What are the selection criteria for development grants?**

The Secretary uses the following criteria to evaluate applications for development grants:

(a) Quality of the applicant's comprehensive development plan. (Total: 30 points) The extent to which-

(1) The strengths, weaknesses, and significant problems of the institution's academic programs, institutional management, and fiscal stability are clearly and comprehensively analyzed and result from a process that involved major constituencies of the institution.

(12 points);

(2) The goals for the institution's academic programs, institutional management, and fiscal stability are realistic and based on comprehensive analysis. (5 points);

(3) The objectives stated in the plan are measurable, related to institutional goals, and, if achieved, will contribute to the growth and self-sufficiency of the institution (5 points);

(4) The plan clearly and comprehensively describes the methods and resources the institution will use to institutionalize practice and improvements developed under the proposed project, including, in particular, how operational costs for personnel, maintenance, and upgrades of equipment will be paid with institutional resources

(8 points).

(b) Quality of activity objectives. (Total: 10 points) The extent to which the objectives for each activity are-

(1) Realistic and defined in terms of measurable results (5 points); and

(2) Directly related to the problems to be solved and to the goals of the comprehensive development plan (5 points).

(c) Quality of implementation strategy. (Total: 25 points) The extent to which-

(1) The implementation strategy for each activity is comprehensive (10 points);

(2) The rationale for the implementation strategy for each activity is clearly described and is supported by the results of relevant studies or projects (10 points); and

(3) The timetable for each activity is realistic and likely to be attained (5 points).

(d) Quality of key personnel. (Total: 10 points) The extent to which-

(1) The past experience and training of key professional personnel are directly related to the stated activity objectives (7 points); and

(2) The time commitment of key personnel is realistic (3 points).

(e) Quality of project management plan. (Total: 10 points) The extent to which-

(1) Procedures for managing the project are likely to ensure efficient and effective project implementation (5 points); and

(2) The project coordinator and activity directors have sufficient authority to conduct the project effectively, including access to the president or chief executive officer (5 points).

(f) Quality of evaluation plan. (Total: 10 points) The extent to which-

(1) The data elements and the data collection procedures are clearly described and appropriate to measure the attainment of activity objectives and to measure the success of the project in achieving the goals of the comprehensive development plan (5 points); and

(2) The data analysis procedures are clearly described and are likely to produce formative and summative results on attaining activity objectives and measuring the success of the project on achieving the goals of the comprehensive development plan (5 points).

(g) Budget. (Total: 5 points) The extent to which the proposed costs are necessary and reasonable in relation to the project's objectives and scope.

(Approved by the Office of Management and Budget under control number 1840-0114)

(Authority: 20 U.S.C. 1057-1059, 1066-1069f)

[59 FR 41924, Aug. 15, 1994]

### **607.23 What special funding consideration does the Secretary provide?**

(a) If funds are available to fund only one additional planning grant and each of the next fundable applications has received the same number of points under 607.21, the Secretary awards additional points, up to a maximum of two points, to any of those applicants that-

(1) Has an endowment fund of which the current market value, per full-time equivalent enrolled student, is less than the average current market value of the endowment funds, per full-time equivalent enrolled student, at similar type institutions; (one point) or

(2) Has expenditures for library materials per full-time equivalent enrolled student which is less than the average expenditure for library materials per full-time equivalent enrolled student at similar type institutions. (one point)

(b) If funds are available to fund only one additional development grant and each of the next fundable applications has received the same number of points under 607.22, the Secretary will award additional points, up to a maximum of three points, to any of those applicants that-

(1) Has an endowment fund of which the current market value, per full-time equivalent enrolled student, is less than the average current market value of the endowment funds, per full-time equivalent enrolled student, at comparable institutions that offer similar instruction; (one point)

(2) Has expenditures for library materials per full-time equivalent enrolled student which is less than the average expenditure for library materials per full-time equivalent enrolled student at comparable institutions that offer similar instruction (one point); or

(3) Propose to carry out one or more of the following activities-

(i) Faculty development;



- (ii) Funds and administrative management;
- (iii) Development and improvement of academic programs;
- (iv) Acquisition of equipment for use in strengthening management and academic programs;
- (v) Joint use of facilities; and
- (vi) Student services. (one point)

(c) As used in this section, an endowment fund does not include any fund established or supported under 34 CFR part 628.

(d) Each year, the Secretary provides prospective applicants with the average expenditure of endowment funds and library materials per full-time equivalent student.

(e) The Secretary gives priority to applications from HSIs that contain satisfactory evidence that the HSI has entered into or will enter into a collaborative arrangement with at least one local educational agency to provide that agency with assistance (from funds other than funds provided under Title III Part A of the HEA) in-

- (1) Reducing the dropout rates of Hispanic students;
- (2) Improving rates of academic achievement of Hispanic students; and
- (3) Increasing the rates at which Hispanic high school graduates enroll in higher education.

(Authority: 20 U.S.C. 1057 et seq.)

[52 FR 30529, Aug. 14, 1987, as amended at 59 FR 41925, Aug. 15, 1994; 60 FR 15447, Mar. 23, 1995]

#### **607.24 How does the Secretary use an applicant's performance under a previous development grant when awarding a development grant?**

(a)

(1) In addition to evaluating an application under the selection criteria in 607.22, the Secretary evaluates an applicant's performance under any previous development grant awarded under Strengthening Institutions and Special Needs Programs that expired within five years of the year when the development grant will begin.

(2) The Secretary evaluates whether the applicant fulfilled, or is making substantial progress toward fulfilling, the goals and objectives of the previous grant, including, but not limited to, the applicant's success in institutionalizing practices developed and improvements made under the grant.

(3) The Secretary bases the evaluation of the applicant's performance on information contained in-

- (i) Performance and evaluation reports submitted by the applicant;
- (ii) Audit reports submitted on behalf of the applicant; and
- (iii) Other information obtained by the Secretary, including reports prepared by the Department.

(b) If the Secretary initially determines that the applicant did not fulfill the goals and objectives of a previous grant or is not making substantial progress towards fulfilling those goals and objectives, the Secretary affords the applicant the opportunity to respond to that initial determination.

(c) If the Secretary determines that the applicant did not fulfill the goals and objectives of a previous grant or is not making substantial progress towards fulfilling those goals and objectives, the Secretary may-

- (1) Decide not to fund the applicant; or
- (2) Fund the applicant but impose special grant terms and conditions, such as specific reporting and monitoring requirements.

(Authority: 20 U.S.C. 1066)

[59 FR 41925, Aug. 15, 1994]

#### **607.25 What priority does the Secretary use in awarding cooperative arrangement grants?**

Among applications for cooperative arrangement grants, the Secretary gives priority to proposed cooperative arrangements that are geographically and economically sound, or will benefit the institutions applying for the grant.

(Authority: 20 U.S.C. 1057, 1069)

[59 FR 41925, Aug. 15, 1994]

Subpart D-What Conditions Must a Grantee Meet?

#### **607.30 What are allowable costs and what are the limitations on allowable costs?**

(a) Allowable costs. Except as provided in paragraphs (b) and (c) of this section, a grantee may expend grant funds

for activities that are related to carrying out the allowable activities included in its approved application.

(b) Supplement and not supplant. Grant funds shall be used so that they supplement and, to the extent practical, increase the funds that would otherwise be available for the activities to be carried out under the grant and in no case supplant those funds.

(c) Limitations on allowable costs. A grantee may not use an indirect cost rate to determine allowable costs under its grant.

(Authority: 20 U.S.C. 1057-1059 and 1066)

#### **607.31 How does a grantee maintain its eligibility?**

(a) A grantee shall maintain its eligibility under the requirements in 607.2, except for 607.2(a)

(1) and (2), for the duration of the grant period.

(b) The Secretary reviews an institution's application for a continuation award to ensure that-

(1) The institution continues to meet the eligibility requirements described in paragraph (a) of this section; and

(2) The institution is making substantial progress toward achieving the objectives set forth in its grant application including, if applicable, the institution's success in institutionalizing practices and improvements developed under the grant.

(Authority: 20 U.S.C. 1057-1059b, 1066-1069f)

[59 FR 41925, Aug. 15, 1994]

### **PART 628--ENDOWMENT CHALLENGE GRANT PROGRAM**

#### ***Subpart A-General***

**628.1 What are the purposes of the Endowment Challenge Grant Program?**

**628.2 Which institutions are eligible to apply for an endowment challenge grant?**

**628.3 Under what conditions may an eligible institution designate a foundation as the recipient of an endowment challenge grant?**

**628.4 What time limitations are placed on grantees applying for another grant?**

**628.5 What regulations apply to the Endowment Challenge Grant Program?**

**628.6 What definitions apply to the Endowment Challenge Grant Program?**

#### ***Subpart B--What Type of Grant Does the Secretary Award Under the Endowment Challenge Grant Program?***

**628.10 What are the characteristics of an endowment challenge grant?**

#### ***Subpart C -- How Does an Eligible Institution Apply for an Endowment Challenge Grant?***

**628.20 What shall an applicant include in an application for an endowment challenge grant?**

#### ***Subpart D -- How Does the Secretary Award an Endowment Challenge Grant?***

**628.30 How does the Secretary evaluate an application for an endowment challenge grant?**

**628.31 What selection criteria does the Secretary use in evaluating an application for an endowment challenge grant?**

**628.32 What funding priorities does the Secretary use in evaluating an application for an endowment challenge grant?**

#### ***Subpart E -- What Conditions Must a Grantee Meet Under the Endowment Challenge Grant?***

**628.40 What are the restrictions on the amount of an endowment challenge grant?**

**628.41 What are the obligations of an institution that the Secretary selects to receive an endowment challenge grant?**

**628.42 What may a grantee not use to match an endowment challenge grant?**

**628.43 What investment standards shall a grantee follow?**

**628.44 When and for what purposes may a grantee use the endowment fund corpus?**

**628.45 How much endowment fund income may a grantee use and for what purposes?**

**628.46 How shall a grantee calculate the amount of endowment fund income that it may withdraw and spend?**

**628.47 What shall a grantee record and report?**

**628.48 What happens if a grantee fails to administer the endowment challenge grant in accordance with applicable regulations?**

## **Subpart A -- General**

### **628.1 What are the purposes of the Endowment Challenge Grant Program?**

The Endowment Challenge Grant Program provides endowment challenge grants, which must be matched, to eligible institutions to--

- (a) Establish or increase endowment challenge funds;
- (b) Provide additional incentives to promote fund-raising activities; and
- (c) Foster increased independence and self-sufficiency at those institutions.

(Authority: 20 U.S.C. 1065)

[49 FR 28521, July 21, 1984, as amended at 52 FR 11258, Apr. 8, 1987; 58

FR 11163, Feb. 23, 1993]

### **628.2 Which institutions are eligible to apply for an endowment challenge grant?**

An institution is eligible to apply for an endowment challenge grant if—

- (a) It qualifies as an eligible institution for the Strengthening Institutions Program under 34 CFR 607.2;
- (b) It qualifies as an eligible institution for the Strengthening Historically Black Colleges and Universities Program under 34 CFR 608.2;
- (c) It would have qualified as an eligible institution for the Strengthening Institutions Program if 34 CFR 607.2(a)(3) referred to a postgraduate degree rather than a bachelor's degree;
- (d) It would have qualified as an eligible institution for the Strengthening Historically Black Colleges and Universities Program if 34 CFR 608.2(a)(4)(i) referred to a postgraduate degree rather than a bachelor's degree; or
- (e) It qualifies as an institution that makes a substantial contribution to graduate or postgraduate medical educational opportunities for minorities and the economically disadvantaged.

(Authority: 20 U.S.C. 1065)

[52 FR 36374, Sept. 28, 1987, as amended at 58 FR 11163, Feb. 23, 1993]

### **628.3 Under what conditions may an eligible institution designate a foundation as the recipient of an endowment challenge grant?**

An eligible institution may designate a foundation, which was established for the purpose of raising money for that institution, as the recipient of an endowment challenge grant if--

- (a) The institution assures the Secretary in its application that the foundation is legally authorized to receive the endowment fund corpus and to administer the endowment fund in accordance with the regulations in this part;
- (b) The foundation agrees to administer the endowment fund in accordance with the regulations in this part; and
- (c) The institution agrees to be liable for any violation by the foundation of any applicable regulation, including any violation resulting in monetary liability.

(Authority: 20 U.S.C. 1065)

### **628.4 What time limitations are placed on grantees applying for another grant?**

- (a) Except as provided in paragraphs (b) and (c) of this section, an institution that has received a grant under this part may apply for another grant under this part only after 10 fiscal years have elapsed following the fiscal year

appropriation from which the institution's grant was awarded (base fiscal year).

(b) An institution that has received a grant under this part may apply for another grant under this part after five fiscal years have elapsed following the base fiscal year if the appropriation for this part exceeds \$20 million in any of those five fiscal years.

(c) If an institution has received a grant under this part and the appropriation for this part exceeds \$20 million in any of the sixth through tenth fiscal years following the base fiscal year, the institution may apply for another grant under this part in the fiscal year in which the appropriation exceeds \$20 million, or any subsequent fiscal year.

(Authority: 20 U.S.C. 1065)

[58 FR 11163, Feb. 23, 1993]

#### **628.5 What regulations apply to the Endowment Challenge Grant Program?**

(a) The following regulations apply to the Endowment Challenge Grant Program:

(1) The regulations in this part 628.

(2)-(3)

[Reserved]

(b)(1) The Education Department General Administrative Regulations (EDGAR) as follows:

(i) The regulations in 34 CFR 74.61(h), or 34 CFR 80.26 and the appendix to 34 CFR part 80, as applicable.

(ii) The regulations in 34 CFR 74.80, 74.84, and 74.85.

(iii) The regulations in 34 CFR 75.100 through 75.102, and 75.217.

(iv) 34 CFR part 79 (Intergovernmental Review of Department of Education Programs and Activities).

(2) Except as specifically indicated in paragraph (b)(1) of this section, the Education Department General Administrative Regulations do not apply.

(Authority: 20 U.S.C. 1065)

[49 FR 28521, July 21, 1984, as amended at 52 FR 11258, Apr. 8, 1987; 52

FR 36375, Sept. 28, 1987; 58 FR 11163, Feb. 23, 1993]

#### **628.6 What definitions apply to the Endowment Challenge Grant Program?**

The following definitions apply to the regulations in this part:

Endowment fund means a fund which excludes real estate and which is established by State law, by an institution, or by a foundation that is exempt from taxation and is maintained for the purpose of generating income for the support of the institution. The principal or corpus of the fund may not be spent. "Endowment fund" includes "quasi-endowment fund".

Endowment fund corpus means an amount equal to the endowment challenge grant or grants awarded under this part plus matching funds provided by the institution.

Endowment fund income means an amount equal to the total value of the endowment fund established under the grant minus the endowment fund corpus.

Quasi-endowment fund means a fund which the governing board of an institution or foundation establishes to function as an endowment in that the principal is to be retained and invested. However, the entire principal and income may be spent at any time at the discretion of the governing board.

(Authority: 20 U.S.C. 1065)

[49 FR 28521, July 21, 1984, as amended at 52 FR 11258, Apr. 8, 1987; 52

FR 36375, Sept. 28, 1987; 58 FR 11163, Feb. 23, 1993]

#### **628.10 What are the characteristics of an endowment challenge grant?**

Each endowment challenge grant awarded by the Secretary under this part--

(a) Must be matched by the institution receiving the grant with one dollar of non-Federal funds for every two dollars of Federal grant funds;

(b) Must be invested by the institution; and

(c) Must have a duration of 20 years.

(Authority: 20 U.S.C. 1065)  
[58 FR 11163, Feb. 23, 1993]

### **Subpart C -- How Does an Eligible Institution Apply for an Endowment Challenge Grant?**

#### **628.20 What shall an applicant include in an application for an endowment challenge grant?**

An applicant shall include in its application the amount of the endowment challenge grant it is requesting, a description of its short - term plan and long-term plan for raising and using endowment challenge grant funds, and information sufficient for the Secretary to--

(a) Evaluate the application under the selection criteria set forth in Sec. 628.31 and the priorities set forth in Sec. 628.32; and

(b) Determine whether the applicant will administer the endowment challenge grant in accordance with the regulations in this part. (Approved by the Office of Management and Budget under control number 1840-0531)

(Authority: 20 U.S.C. 1065)

[49 FR 28521, July 21, 1984, as amended at 52 FR 11258, Apr. 8, 1987; 58 FR 11163, Feb. 23, 1993; 59 FR 46175, Sept. 7, 1994]

### **Subpart D -- How Does the Secretary Award an Endowment Challenge Grant?**

#### **628.30 How does the Secretary evaluate an application for an endowment challenge grant?**

(a) In evaluating an application for an endowment challenge grant, the Secretary--

(1) Judges the application using the selection criteria in Sec. 628.31 and the priorities in Sec. 628.32;

(2) Gives, for each criterion and priority, a score up to the maximum possible points in parentheses following the description of that criterion or priority; and

(3) Gives up to 130 total points, 90 points maximum for the criteria in Sec. 628.31, and 40 points maximum for the priorities in Sec. 628.32.

(b) In selecting recipients for grants, the Secretary follows the procedures in 34 CFR 75.217(d) and (e) of the Education Department General Administrative Regulations.

(Authority: 20 U.S.C. 1065)

[49 FR 28521, July 21, 1984, as amended at 52 FR 11258, Apr. 8, 1987]

#### **628.31 What selection criteria does the Secretary use in evaluating an application for an endowment challenge grant?**

In evaluating an application for an endowment challenge grant, the Secretary uses the following three criteria:

(a) The Secretary measures the applicant's past efforts to build or maintain its existing endowment and quasi-endowment funds by the dollar and relative increase in market value to the applicant's existing endowment and quasi-endowment funds over the applicant's four fiscal years preceding the year of application using the formulas set forth in paragraphs (a)(1) through (a)(5) of this section.

(1) In measuring an applicant's dollar increase in its endowment and quasi-endowment funds, the Secretary--

(i) Subtracts from an amount equal to the market value of the applicant's endowment and quasi-endowment funds at the end of the four-year period described in paragraph (a) of this section an amount equal to the market value of the applicant's endowment and quasi-endowment funds at the beginning of that four-year period; and

(ii) Divides the result obtained in paragraph (a)(1)(i) of this section by the applicant's full-time equivalent enrollment at the end of the four-year period.

(2) The Secretary awards points on a sliding scale giving 10 points to applicants with the highest dollar increase as calculated in paragraph (a)(1) of this section and no points to applicants with the lowest dollar increase.

(3) In measuring an applicant's relative increase in market value of its endowment and quasi-endowment funds, the Secretary--

(i) Divides an amount equal to the market value of the applicant's endowment and quasi-endowment funds at the beginning of the four-year period described in paragraph (a) of this section by the applicant's full-time equivalent enrollment at the end of the four-year period.

(ii) Adds \$50 to the amount obtained in paragraph (a)(3)(i) of this section.

(iii) Divides the result obtained in paragraph (a)(1)(ii) of this section by the amount obtained in paragraph (a)(3)(ii) of this section.

(4)(i) If the amount of endowment per full-time equivalent student under paragraph (a)(3)(i) of this section is \$50 or more, the Secretary awards points on a sliding scale giving 15 points to applicants with a relative increase of 100 percent or more and no points to applicants that have had a relative decrease of more than 20 percent.

(ii) If the amount of endowment per full-time equivalent student under paragraph (a)(3)(i) of this section is less than \$50, the Secretary awards points on a sliding scale giving 15 points to applicants with a relative increase of 100 percent or more and no points to applicants that have had no relative increase.

(5) In measuring the applicant's past effort, the Secretary--

(i) Excludes real estate from being considered as part of the applicant's existing endowment or quasi-endowment fund; and

(ii) Includes an endowment or quasi-endowment fund operated by a foundation if the foundation is tax-exempt and was established for the purpose of raising money for the institution.

(b) The Secretary considers the degree of proposed nongovernmental matching funds. (Total: 15 points maximum for the highest proposed percentage)

(1) The Secretary measures the degree to which an applicant proposes to match the grant with funds from sources other than a State or local government--giving up to 15 points to applicants proposing to obtain the largest percentage of matching funds from those nongovernmental sources.

(2) If an applicant is applying for an endowment challenge grant for the first time, the Secretary multiplies the maximum number of points (i.e., 15 points) on this criterion times the following fraction:

$$\frac{\text{Amount of matching funds proposed from nongovernmental sources}}{\text{Total proposed amount of matching funds}}$$

(3) If an applicant has previously received an endowment challenge grant, the Secretary uses the following formula in awarding points under this criterion:

Amount of matching funds proposed from nongovernmental sources	X	Amount of matching funds from nongovernmental sources actually raised under previous endowment challenge grant	X 15 points=P
<hr/>		<hr/>	
Total proposed amount of matching funds		Amount of matching funds from nongovernmental sources under the previous endowment challenge grant	

(c) The Secretary considers the need for an endowment challenge grant as measured by the applicant's lack of resources.

(1) The Secretary gives up to 50 points to applicants with the least resources as measured, at the end of the applicant's fiscal year preceding the year it applies for an endowment challenge grant, by revenue per full-time equivalent student it receives from the sum of the following--

(i) Federal, State and local government appropriations;

(ii) Unrestricted Federal, State and local government grants and contracts;

(iii) Eighty percent of tuition and fees; and

(iv) Unrestricted and restricted "endowment income".

(2) In measuring the applicant's resources, the Secretary--

(i) Defines the factors in paragraphs (c)(1)(i) through (iv) as they are defined in the Education Department Higher Education General Information Survey of Financial Statistics.

(ii) Excludes real estate from being considered as part of the applicant's existing endowment or quasi-endowment fund.

(Approved by the Office of Management and Budget under control number 1840-0531)

(Authority: 20 U.S.C. 1065)

[49 FR 28521, July 12, 1984, as amended at 49 FR 37325, Sept. 21, 1984]

#### **628.32 What funding priorities does the Secretary use in evaluating an application for an endowment challenge grant?**

In evaluating an endowment challenge grant application, the Secretary uses the following two priorities:

(a) Recipient or former recipient of a grant under the Strengthening Institutions, Special Needs, Hispanic-Serving Institutions, Strengthening Historically Black Colleges and Universities, or Strengthening Historically Black Graduate Institutions Program. (Total: 20 points) The Secretary gives 20 points to each applicant who on October 1 of the fiscal year in which the applicant is applying for an endowment challenge grant is a current recipient of a planning or development grant, or was a recipient of a planning or development grant within the five preceding fiscal years, under the Strengthening Institutions, Special Needs, Hispanic-Serving Institutions, Strengthening Historically Black Colleges and Universities, or Strengthening Historically Black Graduate Institutions Program.

(b) Need for an endowment challenge grant as measured by the lack of endowment funds. (Total: 20 points)

(1) The Secretary gives up to 20 total points to an applicant with the greatest need for an endowment challenge grant under this part, as measured by the applicant's lack of endowment funds.

(2) The Secretary gives up to 20 points to the applicant with the lowest market value, at the end of the applicant's fiscal year preceding the year it applies for an endowment challenge grant, of its existing endowment and quasi-endowment fund in relation to the number of full-time equivalent students enrolled at the institution in the fall of the year preceding the year it applies for an endowment challenge grant.

(3) In measuring the applicant's need for an endowment challenge grant, the Secretary excludes real estate from being considered as part of the applicant's existing endowment or quasi-endowment fund.

(Approved by the Office of Management and Budget under control number 1840-0531)

(Authority: 20 U.S.C. 1065)

[49 FR 28521, July 21, 1984, as amended at 52 FR 11258, Apr. 8, 1987; 58

FR 11163, Feb. 23, 1993; 59 FR 46175, Sept. 7, 1994]

#### **Subpart E -- What Conditions Must a Grantee Meet Under the Endowment Challenge Grant Program?**

##### **628.40 What are the restrictions on the amount of an endowment challenge grant?**

(a) To receive an endowment challenge grant, an institution must raise at least \$25,000 in matching funds and qualify for at least a \$50,000 grant under paragraph (c) of this section.

(b) If an institution obtains at least \$25,000 in matching funds and raises all the non-governmental funds it proposed to raise in its application, the institution may receive a grant equal to twice the amount of matching funds it raises up to--

(1) \$500,000 in any fiscal year in which the amount appropriated for the Endowment Challenge Grant Program is less than \$15,000,000;

(2) \$1,000,000 in any fiscal year in which the amount appropriated for the Endowment Challenge Grant Program equals or exceeds \$15,000,000 but is less than \$25,000,000; or

(3) \$1,500,000 in any fiscal year in which the amount appropriated for the Endowment Challenge Grant Program equals or exceeds \$25,000,000.

(c) If an institution does not raise all the non-governmental funds it proposes to raise in its application, the Secretary reduces the institution's grant by multiplying the grant amount requested by the following fraction:

Amount of matching funds raised from non-governmental sources divided by  
Amount of matching funds proposed to be raised from non-governmental sources

(Authority: 20 U.S.C. 1065)  
[57 FR 11163, Feb. 23, 1993]

**628.41 What are the obligations of an institution that the Secretary selects to receive an endowment challenge grant?**

(a) An institution that the Secretary selects to receive an endowment challenge grant shall--

- (1) Enter into an agreement with the Secretary to administer the endowment challenge grant;
- (2) Establish an endowment fund independent of any other endowment fund established by or for that institution;
- (3) Deposit its matching funds in the endowment fund established under this part;
- (4) Upon receipt, immediately deposit the grant funds into the endowment fund established under this part; and
- (5) Within fifteen working days after receiving the grant funds, invest the endowment fund corpus.

(b) Before the Secretary disburses grant funds and not later than a date established by the Secretary through a notice in the Federal Register (which date may not be later than the earlier of the last day of availability of appropriations or eighteen months after an institution has been notified that it has been selected to receive a grant), an institution shall--

- (1) Match with cash or low-risk securities, the endowment challenge grant funds to be received under this part;
- (2) Certify to the Secretary--
  - (i) The source, kind and amount of the eligible matching funds;
  - (ii) That the matching funds are eligible under paragraph (b)(1) of this section and Sec. 628.42; and
- (3) Have a certified public accountant or other licensed public accountant, who is not an employee of the institution, certify that the data contained in the application is accurate.

(c)(1) For the purpose of paragraph (b)(1) of this section, "cash" may include cash on hand, certificates of deposit and money market funds; and

(2) A negotiable security, to be considered as part of the institution's match--

- (i) Must be low-risk as required in Sec. 628.43; and
- (ii) Must be assessed at its market value as of the end of the trading day on the date the institution deposits the security into the endowment fund established under this part.

(Approved by the Office of Management and Budget under control number 1840-0564)  
(Authority: 20 U.S.C. 1065)  
[49 FR 28521, July 21, 1984, as amended at 49 FR 37325, Sept. 21, 1984;  
52 FR 11258, Apr. 8, 1987; 53 FR 49146, Dec. 6, 1988]

**628.42 What may a grantee not use to match an endowment challenge grant?**

To match an endowment challenge grant, a grantee may not use--

- (a) A pledge of funds or securities;
- (b) Deferred gifts such as a charitable remainder annuity trust or unitrust;
- (c) Any Federal funds;
- (d) Any borrowed funds; or
- (e) The corpus or income of an endowment fund or quasi-endowment fund existing at the closing date established by the Secretary for submission of eligibility requests under the Endowment Challenge Grant Program. This includes the corpus or income of an endowment or quasi-endowment fund established by a foundation if the foundation is tax-exempt and was established for the purpose of raising money for the institution.

(Authority: 20 U.S.C. 1065)

**628.43 What investment standards shall a grantee follow?**

(a) A grantee shall invest, for the duration of the grant period, the endowment fund established under this part in



savings accounts or in low-risk securities in which a regulated insurance company may invest under the law of the State in which the institution is located.

(b) When investing the endowment fund, the grantee shall exercise the judgment and care, under the circumstances, that a person of prudence, discretion and intelligence would exercise in the management of his or her own financial affairs.

(c) An institution may invest its endowment fund in savings accounts permitted under paragraph (a) of this section such as--

- (1) A federally insured bank savings account;
- (2) A comparable interest bearing account offered by a bank; or
- (3) A money market fund.

(d) An institution may invest its endowment fund in low-risk securities permitted under paragraph (a) of this section such as--

- (1) Certificates of deposit;
- (2) Mutual funds;
- (3) Stocks; or
- (4) Bonds.

(e) An institution may not invest its endowment fund in real estate.

(Authority: 20 U.S.C. 1065)

#### **628.44 When and for what purposes may a grantee use the endowment fund corpus?**

(a)(1) During the grant period, a grantee may not withdraw or spend any part of the endowment fund corpus.

(2) If, during the grant period, a grantee withdraws or spends all or part of the endowment fund corpus, it must repay to the Secretary an amount equal of 50 percent of the amount withdrawn or spent plus the income earned on that amount.

(b) At the end of the grant period, the institution may use the endowment fund corpus for any educational purpose.

(Authority: 20 U.S.C. 1065)

#### **628.45 How much endowment fund income may a grantee use and for what purposes?**

(a) During the endowment challenge grant period, a grantee--

(1) May withdraw and spend up to 50 percent of the total aggregate endowment fund income earned prior to the date of expenditure;

(2) May spend the endowment fund income for--

- (i) Costs necessary to operate the institution, including general operating and maintenance costs;
- (ii) Costs to administer and manage the endowment fund; and
- (iii) Costs associated with buying and selling securities, such as stockbroker commissions and fees to "load" mutual funds;

(3) May not use endowment fund income for--

- (i) A school or department of divinity or any religious worship or sectarian activity;
  - (ii) An activity that is inconsistent with a State plan for desegregation applicable to the grantee; or
  - (iii) An activity that is inconsistent with a State plan applicable to the grantee; and
- (4) May not withdraw or spend the remaining 50 percent of the endowment fund income.

(b) Notwithstanding paragraph (a)(1) of this section, the Secretary may permit a grantee that requests to spend more than 50 percent of the total aggregate endowment fund income to do so if the grantee demonstrates that the expenditure is necessary because of--

- (1) A financial emergency such as a pending insolvency or temporary liquidity problem;
- (2) A situation threatening the existence of the institution such as destruction due to a natural disaster or arson; or
- (3) Another unusual occurrence or demanding circumstance, such as a judgment against the institution for which the institution would be liable.

(c) If, during the grant period, a grantee spends more endowment fund income or uses it for purposes other than permitted under paragraphs (a) or (b) of this section, it shall repay to the Secretary an amount equal to 50 percent

of the amount improperly spent.

(d) At the end of the grant period, the institution may use all of the endowment fund income for any educational purpose.

(Authority: 20 U.S.C. 1065)

[49 FR 28521, July 21, 1984, as amended at 52 FR 11258, Apr. 8, 1987; 58 FR 11163, Feb. 23, 1993]

#### **628.46 How shall a grantee calculate the amount of endowment fund income that it may withdraw and spend?**

A grantee shall calculate the amount of endowment fund income that it may withdraw and spend at a particular time as follows:

(a) On each date that the grantee plans a withdrawal of income, it must--

(1) Determine the value of endowment fund income by subtracting the endowment fund corpus from the current total value of the endowment fund on that date; and

(2) Calculate the amount of endowment fund income previously withdrawn from the endowment fund.

(b) If the value of endowment fund income in the endowment fund exceeds the aggregate amount of previously withdrawn endowment fund income, the grantee may withdraw and spend up to 50 percent of that excess fund income.

(Authority: 20 U.S.C. 1065)

[49 FR 28521, July 21, 1984, as amended at 52 FR 11258, Apr. 8, 1987]

#### **628.47 What shall a grantee record and report?**

A grantee shall--

(a) Keep records of--

(1) The source, kind and amount of matching funds;

(2) The type and amount of investments of the endowment fund;

(3) The amount of endowment fund income; and

(4) The amount and purpose of expenditures of endowment fund income;

(b) Retain each year's records for a minimum of five years after the grant period ends;

(c) Allow the Secretary access to information that the Secretary judges necessary to audit or examine the records required in paragraph (a) of this section;

(d) Carry out the audit required in 34 CFR 74.61(h) or 80.26 and the appendix to 34 CFR part 80, as applicable;

(e) Provide to the Secretary a copy of the external or internal audit to be performed under 34 CFR 74.61(h) or 80.26 and the appendix to 34 CFR part 80, as applicable; and

(f) Submit reports on a timely basis that are requested by the .

(Approved by the Office of Management and Budget under control number 1840-0564)

(Authority: 20 U.S.C. 1065 and 1232f)

[49 FR 28521, July 12, 1984, as amended at 52 FR 11258, Apr. 8, 1987; 53 FR 49146, Dec. 6, 1988; 58 FR 11164, Feb. 23, 1993]

#### **628.48 What happens if a grantee fails to administer the endowment challenge grant in accordance with applicable regulations?**

(a) The Secretary may, after giving the grantee notice and an opportunity for a hearing, terminate an endowment challenge grant if the grantee--

(1) Withdraws or spends any part of the endowment fund corpus in violation of Sec. 628.44(a)(1);

(2) Spends any portion of the endowment fund income not permitted to be spent in Sec. 628.45;

(3) Fails to invest the endowment fund in accordance with the investment standards set forth in Sec. 628.43; or

(4) Fails to meet the requirements in Sec. 628.41.

(b) If the Secretary terminates a grant under paragraph (a) of this section, the grantee must return to the Secretary an amount equal to the sum of the original endowment challenge grant or grants plus the income

earned on that sum.

(Authority: 20 U.S.C. 1065)

[49 FR 28521, July 21, 1984, as amended at 52 FR 11258, Apr. 8, 1987; 52]

## **Title V FY 2000 Application Instructions and Forms**

## Instructions for FORM ED 424

1. **Legal Name and Address.** Enter the legal name of applicant and the name of the primary organizational unit which will undertake the assistance activity.
2. **D-U-N-S Number.** Enter the applicant's D-U-N-S Number. If your organization does not have a D-U-N-S Number, you can obtain the number by calling 1-800-333-0505 or by completing a D-U-N-S Number Request Form. The form can be obtained via the Internet at the following URL: <http://www.dnb.com/dbis/aboutdb/intlduns.htm>.
3. **Catalog of Federal Domestic Assistance (CFDA) Number.** Enter the CFDA number and title of the program under which assistance is requested.
4. **Project Director.** Name, address, telephone and fax numbers, and e-mail address of the person to be contacted on matters involving this application.
5. **Federal Debt Delinquency.** Check "Yes" if the applicant's organization is delinquent on any Federal debt. (This question refers to the applicant's organization and not to the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.) Otherwise, check "No."
6. **Type of Applicant.** Enter the appropriate letter in the box provided.
7. **Novice Applicant.** Check "Yes" only if assistance is being requested under a program that gives special consideration to novice applicants and you meet the program requirements for novice applicants. By checking "Yes" the applicant certifies that it meets the novice applicant requirements specified by ED. Otherwise, check "No."
8. **Type of Submission.** Self-explanatory.
9. **Executive Order 12372.** Check "Yes" if the application is subject to review by Executive Order 12372. Also, please enter the month, date, and four (4) digit year (e.g., 12/12/2000). Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process. Otherwise, check "No."
10. **Proposed Project Dates.** Please enter the month, date, and four (4) digit year (e.g., 12/12/2000).
11. **Human Subjects.** Check "Yes" or "No". If research activities involving human subjects are not

planned **at any time** during the proposed project period, check “No.” **The remaining parts of item 11 are then not applicable.**

If research activities involving human subjects, whether or not exempt from Federal regulations for the protection of human subjects, **are** planned **at any time** during the proposed project period, either at the applicant organization or at any other performance site or collaborating institution, check “Yes.” If **all** the research activities are designated to be exempt under the regulations, enter, in item 11a, the exemption number(s) corresponding to one or more of the six exemption categories listed in “**Protection of Human Subjects in Research**” attached to this form. Provide sufficient information in the application to allow a determination that the designated exemptions in item 11a, are appropriate. **Provide this narrative information in an “Item 11/Protection of Human Subjects Attachment” and insert this attachment immediately following the ED 424 face page. Skip the remaining parts of item 11.**

If **some or all** of the planned research activities involving human subjects are covered (nonexempt), skip item 11a and continue with the remaining parts of item 11, as noted below. In addition, follow the instructions in “**Protection of Human Subjects in Research**” attached to this form to prepare the six-point narrative about the nonexempt activities. **Provide this six-point narrative in an “Item 11/Protection of Human Subjects Attachment” and insert this attachment immediately following the ED 424 face page.**

**If the applicant organization has an approved Multiple Project Assurance of Compliance** on file with the Grants Policy and Oversight Staff (GPOS), U.S. Department of Education, or with the Office for Protection from Research Risks (OPRR), National Institutes of Health, U.S. Department of Health and Human Services, that covers the specific activity, enter the Assurance number in item 11b and the date of approval by the Institutional Review Board (IRB) of the proposed activities in item 11c. This date must be no earlier than one year before the receipt date for which the application is submitted and must include the four (4) digit year (e.g., 2000). Check the type of IRB review in the appropriate box. An IRB may use the expedited review procedure if it complies with the requirements of 34 CFR 97.110. If the IRB review is delayed beyond the submission of the application, enter “**Pending**” in item 11c. If your application is recommended/selected for funding, a follow-up certification of IRB approval from an official signing for the applicant organization must be sent to and received by the designated ED official within 30 days after a specific formal request from the designated ED official. **If the applicant organization does not have** on file with GPOS or OPRR **an approved Assurance of Compliance** that covers the proposed research activity, enter “**None**” in item 11b and skip 11c. In this case, the applicant organization, by the signature on the application, is declaring that it will comply with 34 CFR 97 within 30 days after a specific formal request from the designated ED official for the Assurance(s) and IRB certifications.

12. **Project Title.** Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For preapplications, use a separate

sheet to provide a summary description of this project.

13. **Estimated Funding.** Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate **only** the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 13.
14. **Certification.** To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office.

Be sure to enter the telephone and fax number and e-mail address of the authorized representative. Also, in item 14e, please enter the month, date, and four (4) digit year (e.g., 12/12/2000) in the date signed field.

#### **INSTRUCTIONS FOR PAGE 2 (SIDE 2 OF ED FORM 424)**

1. Enter the full-time equivalent (FTE) enrollment for Fall, 1996. Calculate FTE enrollment as follows:
  - Total the number of full-time students in Fall 1996. This number is the FTE of full-time students. A "full-time student" is, for undergraduates, one whose academic load (course work and other required activity) is at least 75% of the normal full-time load at the institution. For graduate students, one FTE is one whose academic load, course work and other required activities, totals at least 9 credit hours.
  - Total the FTE of part-time students. Add the total number of credit hours of all part-time undergraduate students enrolled in Fall 1996, then divide that number by 12. The result is the FTE of part-time undergraduate students. Do the same for graduate students but divide the total by 9. Then add the two numbers to get the total FTE of part-time students.
  - Add the FTE of full-time students and the FTE of part-time students. The result is the FTE enrollment for Fall 1996.

1.a) Enter the total market value of the institution's endowment at the end of the college's base fiscal year (1996-97).

1.b) Enter the total expenditures for library materials during the base year (1996-97).

**NOTE:** Failure to provide information requested in items 1.a) and 1.b) above may result in the Department not considering the application under a tie-breaking situation.

2. Enter the name, phone and extension number of the contact person for the Title V application if that person is different from the person named in item 4 on the first page of ED FORM 424.

3. When applying for a development grant, provide a single-spaced abstract of the project following strictly the fictitious sample we provided below.

Please mark any additional sheet(s) with your institution's name, and number the pages (e.g., "Cedar College, PA" and number the pages consecutively. The project narrative would begin as "page 3" of the application.

#### IMPORTANT:

Please include the Dual Submission Certification on page 93, after the completed ED FORM 424 if your institution is applying for more than one of the following grants; Strengthening Institutions Program, American Indian Tribally Controlled Colleges and Universities Program, Native Hawaiian-Serving Institutions Program, Alaska Native-Serving Institutions Program, Title V Hispanic-Serving Institutions Program.

You may also need to include additional information, please refer to the Protection of Human Subjects in Research (Attachment to ED 424) instructions on page 87.

#### Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is **1875-0106**. The time required to complete this information collection is estimated to average between 15 and 45 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. **If you have any comments concerning the accuracy of the estimate(s) or suggestions for improving this form, please write to:** U.S. Department of Education, Washington, D.C. 20202-4651. **If you have comments or concerns regarding the status of your individual submission of this form write directly to:** Joyce I. Mays, Application Control Center, U.S. Department of Education, 7th and D Streets, S.W. ROB-3, Room 3633, Washington, D.C. 20202



## SAMPLE PROJECT ABSTRACT

Regular College, Cleveland, Kansas. Located in central Plains, founded in 1902, affiliated with United Church, 4-year private, 980 students in Fall of 1996, current operating budget of \$10.3 million for 1995-96. Phone: 616-245-9872, FAX: 616-245-9043.

Contact Person: Joseph Doe

E-MAIL Address: JOE@ED.KS.UMC

Activity 1--\$1,327,312 over five years. *Improved retention through wide area network.*

To improve student success through advising and to increase retention by expanding access to campus-wide externally linked network. Sample of key measures: a) The average score for the 12 most relevant items for the Spring 2001 ACT Student Satisfaction Survey will increase by one-fourth standard deviation from the average standard deviation the previous year. b) The college's retention rate for freshman to sophomore will increase 2% per year. c) The college's graduation rate will be increased by 3.75% per year from the baseline year. Approximately 51% (\$677K) of the 5-year activity budget is for hardware and software. Approximately 21% (\$279K) will buy a network manager and user support technician. About 24% (\$323K) is for data migration and maintenance for the database and administration system. About 3% (\$41K) is for training. The Director of Learning and Info Services directs the activity at 70% time but paid by college.

Activity 2 -- \$293,800 over three years. *Developing faculty to use technology in classroom.*

To improve student learning outcomes and retention through a comprehensive faculty development program that will result in revision and development of courses integrating technology. Sample of key measures: a) The college's overall retention rate will be increased 2% per year over previous year. b) The student learning outcomes will improve pre-established baseline in redesigned courses piloted during each year. c) 60% of the 51 faculty will know about applications of technology through a faculty development program and they will increase their ability to use technical vocabulary and demonstrate a recognition of educational software in their fields as shown by an annual faculty survey. d) 25 faculty will have piloted courses using technology as shown through course syllabi, evaluation plans, and instruments. About 59% (\$172K) of the activity budget goes to buying an outsider, full-time instructional media technology specialist. About 25% (\$75K) will be spent on hardware and software. About 8% (\$25K) will go toward 3 hours released time or summer stipend for 30 faculty to redesign their courses integrating technology. About 7% (\$19K) will be for travel to pertinent technology conferences, visits to other colleges and businesses.

Project management and evaluation -- \$111,994 About 86% of this budget goes to support a 30% time Title III coordinator and a 75% time secretary. About 4% is for formative and summative evaluation by an outside consultant.

## Protection of Human Subjects in Research

(Attachment to ED 424)

### **I. Instructions to Applicants about the Narrative Information that Must be Provided if Research Activities Involving Human Subjects are Planned.**

If you marked item 11 on the application “Yes” and designated exemptions in 11a , **(all research activities are exempt)**, provide sufficient information in the application to allow a determination that the designated exemptions are appropriate. Research involving human subjects that is exempt from the regulations is discussed under **II.B. “Exemptions,”** below. The Narrative must be succinct. **Provide this information in an “Item 11/Protection of Human Subjects Attachment” and insert this attachment immediately following the ED 424 face page.**

If you marked “Yes” to item 11 on the face page, and designated no exemptions from the regulations **(some or all of the research activities are nonexempt)**, address the following six points for each nonexempt activity. In addition, if research involving human subjects will take place at collaborating site(s) or other performance site(s), provide this information before discussing the six points. Although no specific page limitation applies to this section of the application, be succinct. Provide the six-point narrative and discussion of other performance sites in an **“Item 11/Protection of Human Subjects Attachment” and insert this attachment immediately following the ED 424 face page.**

(1) Provide a detailed description of the proposed involvement of human subjects. Describe the characteristics of the subject population, including their anticipated number, age range, and health status. Identify the criteria for inclusion or exclusion of any subpopulation. Explain the rationale for the involvement of special classes of subjects, such as children, children with disabilities, adults with disabilities, persons with mental disabilities, pregnant women, prisoners, institutionalized individuals, or others who are likely to be vulnerable.

(2) Identify the sources of research material obtained from individually identifiable living human subjects in the form of specimens, records, or data. Indicate whether the material or data will be obtained specifically for research purposes or whether use will be made of existing specimens, records, or data.

(3) Describe plans for the recruitment of subjects and the consent procedures to be followed. Include the circumstances under which consent will be sought and obtained, who will seek it, the nature of the information to be provided to prospective subjects, and the method of documenting consent. State if the Institutional Review Board (IRB) has authorized a modification or waiver of the elements of consent or the requirement for documentation of consent.

(4) Describe potential risks (physical, psychological, social, legal, or other) and assess their likelihood and seriousness. Where appropriate, describe alternative treatments and procedures that might be advantageous to the subjects.

(5) Describe the procedures for protecting against or minimizing potential risks, including risks to confidentiality, and assess their likely effectiveness. Where appropriate, discuss provisions for ensuring necessary medical or professional intervention in the event of adverse effects to the subjects. Also, where

appropriate, describe the provisions for monitoring the data collected to ensure the safety of the subjects.

(6) Discuss why the risks to subjects are reasonable in relation to the anticipated benefits to subjects and in relation to the importance of the knowledge that may reasonably be expected to result.

## **II. Information on Research Activities Involving Human Subjects**

### **A. Definitions.**

A research activity involves human subjects if the activity is research, as defined in the Department's regulations, and the research activity will involve use of human subjects, as defined in the regulations.

#### **—Is it a research activity?**

The ED Regulations for the Protection of Human Subjects, Title 34, Code of Federal Regulations, Part 97, define research as “a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge.” *If an activity follows a deliberate plan whose purpose is to develop or contribute to generalizable knowledge, such as an exploratory study or the collection of data to test a hypothesis, it is research.* Activities which meet this definition constitute research whether or not they are conducted or supported under a program which is considered research for other purposes. For example, some demonstration and service programs may include research activities.

#### **—Is it a human subject?**

The regulations define human subject as “a living individual about whom an investigator (whether professional or student) conducting research obtains (1) data through intervention or interaction with the individual, or (2) identifiable private information.” *(1) If an activity involves obtaining information about a living person by manipulating that person or that person's environment, as might occur when a new instructional technique is tested, or by communicating or interacting with the individual, as occurs with surveys and interviews, the definition of human subject is met. (2) If an activity involves obtaining private information about a living person in such a way that the information can be linked to that individual (the identity of the subject is or may be readily determined by the investigator or associated with the information), the definition of human subject is met.* [Private information includes information about behavior that occurs in a context in which an individual can reasonably expect that no observation or recording is taking place, and information which has been provided for specific purposes by an individual and which the individual can reasonably expect will not be made public (for example, a school health record).]

### **B. Exemptions.**

Research activities in which the only involvement of human subjects will be in one or more of the following six categories of **exemptions** are not covered by the regulations:

(1) Research conducted in established or commonly accepted educational settings, involving normal

educational practices, such as (a) research on regular and special education instructional strategies, or (b) research on the effectiveness of or the comparison among instructional techniques, curricula, or classroom management methods.

(2) Research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures or observation of public behavior, unless: (a) information obtained is recorded in such a manner that human subjects can be identified, directly or through identifiers linked to the subjects; and (b) any disclosure of the human subjects' responses outside the research could reasonably place the subjects at risk of criminal or civil liability or be damaging to the subjects' financial standing, employability, or reputation. ***If the subjects are children, this exemption applies only to research involving educational tests or observations of public behavior when the investigator(s) do not participate in the activities being observed.*** [Children are defined as persons who have not attained the legal age for consent to treatments or procedures involved in the research, under the applicable law or jurisdiction in which the research will be conducted.]

(3) Research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures or observation of public behavior that is not exempt under section (2) above, if the human subjects are elected or appointed public officials or candidates for public office; or federal statute(s) require(s) without exception that the confidentiality of the personally identifiable information will be maintained throughout the research and thereafter.

(4) Research involving the collection or study of existing data, documents, records, pathological specimens, or diagnostic specimens, if these sources are publicly available or if the information is recorded by the investigator in a manner that subjects cannot be identified, directly or through identifiers linked to the subjects.

(5) Research and demonstration projects which are conducted by or subject to the approval of department or agency heads, and which are designed to study, evaluate, or otherwise examine: (a) public benefit or service programs; (b) procedures for obtaining benefits or services under those programs; (c) possible changes in or alternatives to those programs or procedures; or (d) possible changes in methods or levels of payment for benefits or services under those programs.

(6) Taste and food quality evaluation and consumer acceptance studies, (a) if wholesome foods without additives are consumed or (b) if a food is consumed that contains a food ingredient at or below the level and for a use found to be safe, or agricultural chemical or environmental contaminant at or below the level found to be safe, by the Food and Drug Administration or approved by the Environmental Protection Agency or the Food Safety and Inspection Service of the U.S Department of Agriculture.

***Copies of the Department of Education's Regulations for the Protection of Human Subjects, 34 CFR Part 97 and other pertinent materials on the protection of human subjects in research are available from the Grants Policy and Oversight Staff (GPOS) Office of the Chief Financial and Chief Information Officer, U.S. Department of Education, Washington, D.C., telephone: (202) 708-8263, and on the U.S. Department of Education's Protection of Human Subjects in Research Web Site at <http://ocfo.ed.gov/humansub.htm>.***

# Application for Federal Education Assistance



Note: Remember to provide  
application package on diskette  
and specify the file format

Form Approved  
OMB No. 1875-0106  
Exp. 06/30/2001

## Applicant Information

### 1. Name and Address

Legal Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

City

State

County

ZIP Code + 4

2. Applicant's D-U-N-S Number: | | | | | | | | | |

Title: **TITLE V - DEVELOPING HISPANIC -  
SERVING INSTITUTIONS PROGRAM**

3. Catalog of Federal Domestic Assistance #: **84\_0|3|1|S|** →

4. Project Director: \_\_\_\_\_

Address: \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip code + 4

Tel. #: ( ) \_\_\_\_\_ - \_\_\_\_\_ Fax #: ( ) \_\_\_\_\_ - \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

6. Type of Applicant (Enter appropriate letter in the box.) |\_\_\_\_\_|

A - State H - Independent School District  
B - County I - Public College or University  
C - Municipal J - Private, Non-Profit College or University  
D - Township K - Indian Tribe  
E - Interstate L - Individual  
F - Intermunicipal M - Private, Profit-Making Organization  
G - Special District N - Other (Specify): \_\_\_\_\_

5. Is the applicant delinquent on any Federal debt? \_\_\_\_Yes \_\_\_\_No  
(If "Yes," attach an explanation.)

7. Novice Applicant \_\_\_\_Yes \_\_\_\_No

## Application Information

### 8. Type of Submission:

planned at

\_\_\_\_PreApplication

\_\_\_\_Application

\_\_\_\_No

\_\_\_\_Construction

\_\_\_\_Construction

Compliance #:

\_\_\_\_Non-Construction

\_\_\_\_Non-Construction

9. Is application subject to review by Executive Order 12372 process?

\_\_\_\_ Yes (Date made available to the Executive Order 12372  
process for review): \_\_\_\_/\_\_\_\_/\_\_\_\_

\_\_\_\_ No (If "No," check appropriate box below.)

\_\_\_\_ Program is not covered by E.O. 12372.

\_\_\_\_ Program has not been selected by State for review.

10. Proposed Project Dates: \_\_\_\_/\_\_\_\_/\_\_\_\_ \_\_\_\_/\_\_\_\_/\_\_\_\_

Start Date:

End Date:

11. Are any research activities involving human subjects

any time during the proposed project period? \_\_\_\_Yes

a. If "Yes," Exemption(s) #: b. Assurance of

OR

c. IRB approval date: \_\_\_\_ Full IRB or  
\_\_\_\_ Expedited Review

12. Descriptive Title of Applicant's Project:

## Estimated Funding

## Authorized Representative Information

13a. Federal \$ \_\_\_\_\_.00  
applicant

b. Applicant \$ \_\_\_\_\_.00

c. State \$ \_\_\_\_\_.00

d. Local \$ \_\_\_\_\_.00

e. Other \$ \_\_\_\_\_.00

f. Program Income \$ \_\_\_\_\_.00

g. TOTAL \$ \_\_\_\_\_.00

14. To the best of my knowledge and belief, all data in this preapplication/application are true

and correct. The document has been duly authorized by the governing body of the

and the applicant will comply with the attached assurances if the assistance is awarded.

a. Typed Name of Authorized Representative

b. Title:

c. Tel. #: ( ) \_\_\_\_\_ - \_\_\_\_\_ Fax #: ( ) \_\_\_\_\_ - \_\_\_\_\_

d. E-Mail Address:

**Signature of Authorized Representative**

-----Date: \_\_/\_\_/\_\_\_\_

**Continuation of SF 424 -- (Page 2 of the application)**

1. Total **FALL 1996 FULL-TIME EQUIVALENT (FTE)** students = \_\_\_\_\_.

a) Total market value of endowment fund for 1996-97 \$\_\_\_\_\_.

b) Total expenditures for library material during 1996-97 \$\_\_\_\_\_.

**2. If the contact person is different from person named in Item 5 on page one of ED FORM 424, please identify by name and phone number in this space.**

**Name:** \_\_\_\_\_

**Phone:** \_\_\_\_\_  
(area code) (number) (extension)

**email:** \_\_\_\_\_

**3. Provide project abstract here if you are applying for an Individual or Cooperative Arrangement Development Grant:**

## Dual submission certification

If an institution applies for a grant under more than one program it must indicate that fact in each application, and further indicate which grant it wishes to receive if it is selected to receive a grant under more than one program.

My institution has submitted applications under: (check all that apply to your institution)

- ☐ Strengthening Institutions Program
- ☐ American Indian Tribally Controlled Colleges and Universities Program
- ☐ Native Hawaiian-Serving Institutions Program
- ☐ Alaska Native-Serving Institutions Program
- ☐ Title V Hispanic-Serving Institutions Program

If my institution should be selected to receive a grant under more than one program; I will accept the grant for \_\_\_\_\_(insert the name of the program).

---

Typed name of institution

---

Signature of President of the Institution

---

Typed name of the signatory

---

Date



## **INSTRUCTIONS FOR PARTICIPATING INSTITUTIONS IN A COOPERATIVE ARRANGEMENT ED FORM 851S –1**

The applicant coordinating institution should complete ED 851S-1, as instructed here:

1. Enter the name of the institution that will serve as the coordinating institution for the cooperative arrangement. Provide the legal name of the applicant institution of higher education applying for the grant. This institution should be the same as designated in the Application for Federal Education Assistance form - item 5 (ED 424).
2. Fill in the requested information in items 2a - 2d by institution, left to right.
  - 2a. List the name of each institution in alphabetical State order. Include the coordinating institution that will participate in the cooperative arrangement.
  - 2b. Enter each participating institution's assigned DUNS Number.
  - 2c. Enter the City and State in which each participating institution is located.
  - 2d. Enter the amount that represents each participating institution's portion of the entire federal grant funds requested. This amount may be the same for each institution if they are to share equally. Or, this amount may differ for each participating institution. The amount depends on the identified needs and involvement of the individual institutions in implementing the activity or activities to be undertaken. We award funds only to an institution that has been designated eligible to apply for a grant.

<b>GRANT APPLICATION FOR THE HISPANIC-SERVING INSTITUTIONS PROGRAM Title V, Higher Education Act, as amended</b>			<b>FORM APPROVED</b> OMB No.: 1840-0745 EXP. DATE: 10/31/99
<b>PARTICIPATING INSTITUTIONS IN A COOPERATIVE ARRANGEMENT</b>			
<b>1. NAME OF APPLICANT INSTITUTION:</b>			
<b>2a. Participating Institutions</b>	<b>2b. DUNS Number</b>	<b>2c. Location (City and State)</b>	<b>2D. Funds Requested</b>

**ED FORM 851S-1**

## **INSTRUCTIONS AND ACTIVITY OBJECTIVES AND PERFORMANCE INDICATORS FORM ED FORM 851S-2**

Each applicant for a development grant, including the coordinating institution in a cooperative arrangement, must complete the Activity Objectives and Performance Indicators Form (ED 851S-2).

An activity objective is a statement of the desired outcome or end result of carrying out a group of tasks or actions. It has the inherent quality of exercising a directive influence. An activity objective derives from a problem(s) identified in the Comprehensive Development Plan that hinders an institution's growth and self-sufficiency. An activity objective, with its performance indicator, is outcome-oriented, stated in measurable terms, and focused on a single, rather than a multiple, outcome. An activity objective should be of sufficient scope to embrace a series of discrete tasks and major events. A performance indicator provides information about acceptable progress toward a stated objective, the base or reference against which change can be quantitatively or qualitatively evaluated. Taken together, an activity objective and its performance indicator should allow all to know what is being changed and by how much.

List only the outcome objectives that an activity is designed to accomplish and for each year of the activity. Choose a realistic number of objectives.

Complete this form for each activity - for each year for which you request grant funds. You may reproduce the form or create it on your computer.

e.g., XYZ University is requesting funds for two activities:

- (1) Student Services
- (2) Faculty Development

Both activities will be conducted in years 1-5 of the grant.

Example: XYZ University will submit:

- (1) Student Services Activity - 5 separate forms - one for each year of the grant; and,
- (2) Faculty Development Activity - 5 separate forms- one for each year of the grant.

Complete ED 851S-2, as follows:

1. Enter the name of the institution submitting the application. If the applicant is a cooperative arrangement of institutions, enter the name of the coordinating institution. This should be the same institution as listed on the Application for Federal Education Assistance form - Item 5 (ED 424).
2. Enter the title of the activity as it appears in the narrative.
3. Describe the objective(s) to be achieved for each activity in each year of the project period. List the activity objectives in chronological order for each year of the proposed project period.
4. Describe the performance indicator(s) that you will use to measure the extent to which the objective has been met. Performance indicators should reflect the impact that meeting the objective will have on the institution's problems or weaknesses that the activity is designed to address.

**GRANT APPLICATION FOR THE  
HISPANIC-SERVING INSTITUTIONS PROGRAM  
Title V, Higher Education Act, as amended**

FORM APPROVED  
OMB No.: 1840-0745  
EXP. DATE:

**Activity Objectives and Performance Indicators**

**1. NAME OF APPLICANT INSTITUTION:**

**2. ACTIVITY TITLE:**

**3. MAJOR OBJECTIVES IN MEASURABLE TERMS**

**4. PERFORMANCE INDICATORS**

**ED FORM 851S-2**

**GRANT APPLICATION FOR THE  
HISPANIC-SERVING INSTITUTIONS PROGRAM  
Title V, Higher Education Act, as amended**

**FORM APPROVED**  
OMB No.: 1840-0745  
EXP. DATE:

**Activity Objectives and Performance Indicators**

**1. NAME OF APPLICANT INSTITUTION: SAMPLE COLLEGE**

**2. ACTIVITY TITLE: Developing Improved Assessment/Advisement System**

**2. MAJOR OBJECTIVES IN MEASURABLE TERMS**

**4. PERFORMANCE INDICATORS**

(Sample Objectives and Performance Indicators: Objectives and indicators may be written in a variety of ways, reviewers of the application will judge the extent to which the activity objectives, taken together with their performance indicators, are defined in terms of measurable results. They will also judge the extent to which the proposed end-results are NOT EXAGGERATED. Note that PROCESS objectives should not appear on this Activity Objectives and Performance Indicators Performance Form but rather, should be placed on the Implementation Strategy and Timetable Form. Finally, this sample contains objectives and performance indicators only for the fifth and final year of the activity, applicants are required to submit outcome objectives for each year an activity is proposed to be funded.)

Year 5 2003-2004

1. To significantly increase the effectiveness of student advisement as seen by the customer, the student.

2. To significantly increase the persistence rate of students.

1a. By September 30, 2004, the mean scores of all of the 21 variables on the "Student Survey of Advising" will experience a statistically significant increase from the survey results of 2003.

1b. By September 30, 2004, the average scores for the Spring 2003 Act Student Satisfaction Survey will show a statistically significant increase over the average score for 2003.

2a. By September 30, 2004, the college's retention rate for freshman to sophomore year will increase 5% from the rate established on September 30, 2003 as seen by the Registrar's Fall Report on Enrollment and Graduation.

2b. By September 30, 2004, the college's graduation rate for June of 2003 will increase by 5% from the rate established on September 30, 2003 as seen by the Registrar's Fall Report on Enrollment and Graduation.

ED FORM 851S-2

## **INSTRUCTIONS AND IMPLEMENTATION STRATEGY AND TIMETABLE FORM ED FORM 851S-3**

Applicants for the development grant must submit an Implementation Strategy and Timetable Form (ED 851S-3) for each proposed activity -- for each year in which funds are requested to support the activity.

Submit a separate ED 851S-3 for each activity. You may reproduce the form or generate the form on your computer.

A sample of a completed form is in on page 103.

Complete ED 851S-3 as follows:

1. Enter the name of the institution submitting the application. If the applicant is a Cooperative Arrangement of institutions, enter the name of the coordinating institution. This should be the same institution as listed on the Application for Federal Education Assistance form - item 5 (ED 424)
2. Enter the title of the activity as it appears in the narrative.
3. Identify the tasks, in chronological order, that you must complete in carrying out the implementation strategy.
4. Identify the principal staff - by position title - that will actively perform the day-to-day major tasks of the activity. Do not list persons who will have only a supervisory or administrative responsibility.
5. List, in chronological order, the specific methods by which the institution will accomplish the tasks.
6. Identify tangible results that you will be able to document.
7. Indicate the proposed time frame for accomplishing each specific task. The time frame should show the completion of the task within one budget period. The budget period is a Federal fiscal year, October 1-September 30.



**GRANT APPLICATION FOR THE  
HISPANIC-SERVING INSTITUTIONS PROGRAM  
TITLE V, HIGHER EDUCATION ACT, AS AMENDED**

**IMPLEMENTATION STRATEGY AND TIMETABLE FORM**

<b>1. NAME OF APPLICANT:</b>			<b>2. ACTIVITY TITLE:</b>		
<b>3. SPECIFIC TASKS TO BE COMPLETED</b>	<b>4. PRIMARY PARTICIPANTS</b>	<b>5. METHODS INVOLVED</b>	<b>6. TANGIBLE RESULTS</b>	<b>7. TIMEFRAME FROM/TO</b>	

**ED FORM 851S-3**

**FORM APPROVED: 05/03/99**

**OMB NO. 1840-0745**

**GRANT APPLICATION FOR THE DEVELOPING  
HISPANIC-SERVING INSTITUTIONS PROGRAM  
TITLE V, HIGHER EDUCATION ACT, AS AMENDED**

**IMPLEMENTATION STRATEGY AND TIMETABLE FORM**

<b>1. NAME OF APPLICANT:</b>			<b>2. ACTIVITY TITLE:</b>		
3. SPECIFIC TASKS TO BE COMPLETED	4. PRIMARY PARTICIPANTS	5. METHODS INVOLVED	6. TANGIBLE RESULTS	7. TIMEFRAME FROM/TO	
<b>YEAR ONE: 1999-2000</b>  1. Establish Activity Task Force.  2. Conduct Advisement Activities.	Activity Director Vice President	Identify faculty, staff and administrators in key areas identified in grant. Convene team monthly during Year One and quarterly for the remaining four years.	Task Force provides necessary monitoring and advising functions including evaluation/continuation plans for all pilot projects.	10/99	09/00
2. Recruit and employ new activity staff.	Activity Director Activity Task Force	Standard recruiting and hiring practices.	Hiring of additional computer services staff, instructional technician, and educational technology specialist.	10/99	03/00
3. Establish pilot systems for Student assessment and advisement.	Computer Services Matriculation Director	Order appropriate computer assessment and advisement software.	Pilot test of assessment software initiated.	01/00	09/00
4. Conduct pilot assessment and advisement with evening students.	Assessment Technician	Student self assesses at computer station.	Valid assessment with immediate feedback for student.	07/00	09/00

ED FORM 851S-3

FORM APPROVED: 05/03/99

OMB NO. 1840-0745

EXP. DATE:

## INSTRUCTIONS AND ACTIVITY BUDGET FORM ED FORM 851S-4

An applicant for a development grant must submit a separate Activity Budget Form (ED 851S-4) for each activity and for project management/evaluation.

A sample of a completed form is located on page 108.

NOTE: Use the Other Budget Information Form (ED 851S-5) to provide itemized details on the specific categories of costs.

Complete ED 851S-4, as instructed here:

- < Activity Number: Enter an activity number for each activity in the application. Begin with the activity that you ranked as priority one.
- < Page Number: Place the form immediately following the narrative description of each specific activity in your application, numbering the form with the appropriate page number.
- < Number of Pages: If you use more than one page to provide the required information, number the pages in consecutive order, and indicate the total number of pages used to list the costs of the activity.

Item 1. Enter the name of the institution submitting the application.

If the request is for a Cooperative Arrangement of institutions, enter the name of the coordinating institution. This should be the same institution as listed on the Application for Federal Education Assistance Form - item 5 (ED 424).

Item 2. Enter the title of the activity as it appears in the narrative.

Item 3. Budget Categories by year.

Enter the amount of funds for each year (1st year-5th year) by object class category (3a-3g).

Enter the amount of funds you are requesting for each category of cost in the "Total Funds Requested" column.

3a. Personnel

Enter the title of each position for which funds are requested and the percentage of time that staff person will commit to the activity in the specific year. Do not include consultants or other personnel who are not entitled to fringe benefits. Include those costs under the "Other" category.

3b. Fringe Benefits

Enter the percent rate at which the applicant institution calculates fringe benefits.

Enter the total amount requested for Fringe Benefits for each year.

3c. Travel

You may use grant funds only for travel that is necessary and related to achieving the objectives of a specific activity during a specific budget period.

Enter the total funds requested for travel in each year. Include transportation and per diem. Do not include freight costs or consultants' travel expenses. Include those costs under the "Other" category.

3d. Equipment

Enter the purchasing cost for all tangible personal property - fixed and movable - for each year. Include property having a useful life of more than one year and having an acquisition cost of \$5,000 or more per unit.

Do not include the cost for renting equipment. Include those costs under the "Other" category.

3e. Supplies

Enter the cost of all tangible personal property having a useful life of less than one year and having an acquisition cost of less than \$5,000 per unit.

### 3f. Contractual

Include the estimated cost of contractual agreements with another institution of higher education or an organization or business. We will consider sole source contracts up to \$5,000 per total project only if competition is not feasible.

Do not include costs for consultants. Include those, instead, under the "Other" category.

Complete all contractual agreements only after receipt of a notification of grant award.

### 3g. Construction

Enter the estimated costs for construction.

### 3h. Other

Include all direct costs not covered by 3a-3g, such as communications, freight costs (not included by vendor purchase price), equipment rental, computer use charges, summer employment stipends, consultant costs, etc.

### 3i. Total Direct Charges

Enter the sum of all costs (3a-3h) for each year in the appropriate column. The total for the first year should be the same as the amount listed on the Application for Federal Assistance Form (ED 424) item 15a.

Enter the sum, for all categories for all years, under the "Total Funds Requested" column.

GRANT APPLICATION FOR THE HISPANIC-SERVING INSTITUTIONS PROGRAM TITLE V, HIGHER EDUCATION ACT, AS AMENDED	ACTIVITY NUMBER	PAGE NUMBER	NUMBER OF PAGES	FORM APPROVED OMB NO. 1840-0745 EXP. DATE:
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<p align="center"><b>ACTIVITY BUDGET (To be completed for every major activity for which funding is requested)</b></p>
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1. Name of Applicant Institution:	2. Activity Title:
-----------------------------------	--------------------

3. Budget Categories By Year	First Year	Second Year	Third Year	Fourth Year	Fifth Year	Total Funds Requested
---------------------------------	------------	-------------	------------	-------------	------------	--------------------------

Object Class	% of Time	Funds Requested	% of Time	Funds Requested	% of Time	Funds Requested	% of Time	Funds Requested	% of Time	Funds Requested	
a. Personnel (Position Title)		\$		\$		\$		\$		\$	
SUB-TOTAL											
b. Fringe Benefits %											
c. Travel											
d. Equipment											
e. Supplies											
f. Contractual											
g. Construction											
h. TOTAL DIRECT CHARGES		\$		\$		\$		\$		\$	\$

ED FORM 851S-4

GRANT APPLICATION FOR THE				FORM APPROVED
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HISPANIC-SERVING INSTITUTIONS PROGRAM TITLE V, HIGHER EDUCATION ACT, AS AMENDED	ACTIVITY NUMBER	PAGE NUMBER	NUMBER OF PAGES	OMB NO. 1840-0745 EXP. DATE
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**ACTIVITY BUDGET (To be completed for every major activity for which funding is requested)**

1. Name of Applicant Institution: <b>SAMPLE COLLEGE</b>	2. Activity Title:
---	--------------------

3. Budget Categories By Year	First Year	Second Year	Third Year	Fourth Year	Fifth Year	Total Funds Requested
---------------------------------	------------	-------------	------------	-------------	------------	--------------------------

Object Class	% of Time	Funds Requested	% of Time	Funds Requested	% of Time	Funds Requested	% of Time	Funds Requested	% of Time	Funds Requested	
a. Personnel (Position Title)	50	\$ 23,042	50	\$ 23,042	50	\$ 24,302	50	\$ 24,302	50	\$ 24,302	\$ 118,990
ACTIVITY DIRECTOR											
EDUCATION TECHNOLOGY COORDINATOR	30	\$ 12,500	30	\$ 12,500	30	\$ 12,500	30	\$ 12,500	30	\$ 12,500	\$ 62,500
CLERICAL SUPPORT	50	\$ 8,514	50	\$ 8,837	50	\$ 9,159	50	\$ 9,482	50	\$ 9,804	\$ 45,796
SUB-TOTAL		\$ 44,056		\$ 44,379		\$ 45,961		\$ 46,284		\$ 46,606	\$ 227,286
b. Fringe Benefits 28 %		\$ 11,288		\$ 11,344		\$ 11,620		\$ 11,677		\$ 11,733	\$ 57,662
c. Travel		\$ 7,000		\$ 7,000		\$ 7,000		\$ 6,000		\$ 8,000	\$ 35,000
d. Equipment		\$ 0		\$ 0		\$ 0		\$ 0		\$ 0	\$ 0
e. Supplies		\$ 23,247		\$ 36,768		\$ 34,910		\$ 44,730		\$ 51,552	\$ 191,207
f. Contractual		\$ 0		\$ 0		\$ 0		\$ 0		\$ 0	\$ 0
g. construction		\$ 0		\$ 0		\$ 0		\$ 0		\$ 0	\$ 0
h. other		\$ 0		\$ 0		\$ 0		\$ 0		\$ 0	\$ 0
i. TOTAL DIRECT CHARGES		\$ 85,591		\$ 99,491		\$ 99,491		\$ 108,691		\$ 117,891	\$ 511,155

**ED FORM 851S-4**

## INSTRUCTIONS OTHER BUDGET INFORMATION FORM FOR ACTIVITY BUDGETS ED FORM 851S-5

Submit an Other Budget Information Form (ED 851S-5) for each activity and for Project Management/Evaluation - for each of the years for which the institution is requesting funds. Place the ED 851S-5 after the Activity Budget Form (ED 851S-4) in the submitted application.

Also submit an Other Budget Information Form ED 851S-5 with the Summary Budget Form (ED 524) to explain those costs that are common to all activities.

The institution may reproduce ED 851S-5 or generate it on the computer. Include the name of the institution on each page, and number each page consecutively.

If you fail to provide sufficient details, we may disallow costs.

Use ED 851S-5 to detail and explain the costs you are requesting on ED 851S-4.

1. Enter the name of the institution submitting the application.

If the request is for a cooperative arrangement of institutions, enter the name of the coordinating institution. This should be the same institution as listed on the Application for Federal Assistance Form - item 5 (ED 424).

2. Enter the title of the activity as it appears in the narrative.

3. In the remarks section, you should itemize costs requested for the activity. Explain how you arrived at the total amount requested in each object class in each year of the activity.

A. PERSONNEL COSTS as requested on ED 851S-4

Enter each individual's name or the position titles for which funds are requested.

Indicate the percentage of time that each staff person will commit to the project for each year for which funds are requested.



Explain the basis for calculating release time and hourly rates - as related to current established institutional policies.

B. FRINGE BENEFITS as requested on ED 851S-4

List the specific benefits you provide to your employees and the percentage rate by which you calculate fringe benefits. If you calculate fringe benefits by a different method for different categories of Activity personnel (e.g., support staff vs. part-time personnel, faculty vs. administrative staff), provide a detailed explanation.

C. TRAVEL as requested on ED 851S-4

Indicate the names or titles of the personnel who will travel and justify the need for the travel -- in terms of completion of the specific tasks during the budget period.

Provide an itemized breakdown of:

- \* transportation costs - including destinations;
- \* per diem rates;
- \* number of travel days; and,
- \* other costs associated with travel that are acceptable based on institutional policy.

D. EQUIPMENT as requested on ED 851S-4.

Detail the cost for all nonexpendable personal property, both fixed and movable, that is necessary for achieving the activity objectives.

Nonexpendable personal property is tangible personal property having a useful life of more than one year, and having an acquisition cost of \$5,000 or more per unit.

Itemize and justify on this form the purchase of each equipment item costing at least \$5,000.

Include detailed information, including -- quantities, brand or trade names, and unit costs, and explain how and who will use the equipment.

E. SUPPLIES as requested on ED 851S-4

List all tangible personal property other than that covered under the "Equipment" category above.

Personal property is property other than real property (land and buildings).

Provide itemized costs, and an itemized breakdown of all supplies, including -- quantities, brand or trade names, if known, and unit costs.

F. CONTRACTUAL as requested on ED 851S-4

Include the estimated costs of any contractual agreement with another institution of higher education, an organization or business.

We will consider sole source contracts up to \$5,000 per total project only if competition is not feasible. Explain the feasibility of competition vs. sole source.

G. CONSTRUCTION as requested on ED 851S-4.

Itemize all construction costs including labor and materials.

H. OTHER as requested on ED 851S-4

Itemize all costs not covered in items "A through G" above.

I. TOTAL DIRECT CHARGES

<b>GRANT APPLICATION FOR THE HISPANIC-SERVING INSTITUTIONS PROGRAM Title V, Higher Education Act, as amended</b>		Form Approved: OMB No. 1840-0745 Exp. Date:
<b>OTHER BUDGET INFORMATION</b>		
<b>1. NAME OF APPLICANT INSTITUTION:</b>	<b>2. ACTIVITY TITLE:</b>	
<b>3. REMARKS</b>		

**ED FORM 851S-5**

## GENERAL INSTRUCTIONS AND SUMMARY BUDGET FORM ED 524

Three information sources are provided to assist you in completing ED Form 524:

- (1) Instructions for ED Form 524 – This is a standard form.
- (2) Supplementary Instructions Summary Budget Form – These instructions are specific to the HSI program.
- (3) ED Form 524 – The form consists of two pages.

### Paperwork Burden Statement for Customer Satisfaction Survey on New OPE Programs

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1840-0745. The time required to complete this information collection is estimated to average 17.5 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington D.C. 20202-4651. If you have comments or concerns regarding the status of your individual submission of this form, write directly to: Jay Noell, Director, Quality Improvement and Strategic Planning Staff U.S. Department of Education, 400 Maryland Avenue, S.W., ROB 3 - Room 4020, Washington, D.C. 20202-4651

### General Instructions

This form is used to apply to individual U.S. Department of Education discretionary grant programs. Unless directed otherwise, provide the same budget information for each year of the multi-year funding request. Pay attention to applicable program specific, instructions, if attached.

### Section A - Budget Summary

#### U.S. Department of Education Funds

All applicants must complete Section A and provide a breakdown by the applicable budget categories shown in lines 1-11.

Lines 1-11, columns (a)-(e): For each project year for which funding is requested, show the total amount requested for each applicable budget category.

Lines 1-11, column (f): Show the multi-year total for each budget category. If funding is requested for only one project year, leave this column blank.

Line 12, columns (a)-(e): Show the total budget request for each project year for which funding is requested.

Line 12, column (f): Show the total amount requested for all project years. If funding is requested for only one year, leave this space blank.

NOT APPLICABLE

## **Section B - Budget Summary**

### **Non-Federal Funds**

If you are required to provide or volunteer to provide matching funds or other non-Federal resources to the project, these should be shown for each applicable budget category on lines 1-11 of Section B.

Lines 1-11, columns (a)-(e): For each project year for which matching funds or other contributions are provided, show the total contribution for each applicable budget category.

Lines 1-11, column (f): Show the multi-year total for each budget category. If non-Federal contributions are provided for only one year, leave this column blank.

Line 12, columns (a)-(e): Show the total matching or other contribution for each project year.

Line 12, column (f): Show the total amount to be contributed for all years of the multi-year project. If non-Federal contributions are provided for only one year, leave this space blank.

NOT APPLICABLE

## **Section C - Other Budget Information**

Pay attention to applicable program specific instructions, if attached.

1. Provide an itemized budget breakdown, by project year, for each budget category listed in Sections A and B.
2. If applicable to this program, enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period. In addition, enter the estimated amount of the base to which the rate is applied, and the total indirect expense.
3. If applicable to this program, provide the rate and base on which fringe benefits are calculated.

4. Provide other explanations or comments you deem necessary.

### **SUPPLEMENTARY INSTRUCTIONS SUMMARY BUDGET FORM (ED 524)**

Complete the Summary Budget Form (ED 524) after you have prepared all Activity Budget Forms (ED 851S-4).

If the institution is requesting to use grant monies for the establishment or development of its endowment fund, provide this information as part of line 10.

Provide the total costs you are requesting for each budget category for all activities for project years 1-5, and the sum totals for all five years.

Examples:

If the institution is requesting personnel costs for all activities in project year 1, totaling \$50,000, the institution should enter "\$50,000" in Budget Category 1 - Personnel, Project Year 1 (column (a)).

If the institution is requesting \$50,000 in personnel costs in all project years (1-5), totaling \$250,000, the institution should enter:

\$50,000 in Budget Category 1. Personnel, Project Year 1 - Project Year 5  
(columns (a) - (e); and  
"\$250,000" in Budget Category 1 - Personnel, Total (column (f))

U.S. DEPARTMENT OF EDUCATION BUDGET INFORMATION  NON-CONSTRUCTION PROGRAMS	OMB Control No. 1880—0538  Expiration Date:
Name of Institution/Organization	Applicants requesting funding for only one year should complete the column under "Project Year 1." Applicants requesting funding for multi-year grants should complete all applicable columns. Please read all instructions before completing form.

SECTION A - BUDGET SUMMARY U.S. DEPARTMENT OF EDUCATION FUNDS						
Budget Categories	Project Year 1 (a)	Project Year 2 (b)	Project Year 3 (c)	Project Year 4 (d)	Project Year 5 (e)	Total (f)
1. Personnel						
2. Fringe Benefits						
3. Travel						
4. Equipment						
5. Supplies						
6. Contractual						
7. Construction						
8. Other						
9. Total Direct Costs (lines 1-8)						
10. Endowment Monies						
11. Training Stipends						
12. Total Costs (lines 9-11)						





Name of Institution/Organization	Applicants requesting funding for only one year should complete the column under "Project Year 1." Applicants requesting funding for multi-year grants should complete all applicable columns. Please read all instructions before completing form.
----------------------------------	--

SECTION B - BUDGET SUMMARY NON-FEDERAL FUNDS						
Budget Categories	Project Year 1 (a)	Project Year 2 (b)	Project Year 3 (c)	Project Year 4 (d)	Project Year 5 (e)	Total (f)
1. Personnel						
2. Fringe Benefits						
3. Travel						
4. Equipment						
5. Supplies						
6. Contractual						
7. Construction						
8. Other						
9. Total Direct Costs (lines 1-8)						
10. Endowment Monies						
11. Training Stipends						
12. Total Cost (lines 9-11)						

SECTION C - OTHER BUDGET INFORMATION (see instructions)
---

**INSTRUCTIONS FOR OTHER BUDGET INFORMATION FORM FOR SUMMARY BUDGETS ED FORM 851S-6**

Place the completed Other Budget Information Form (ED 851S-5) for the Summary Budget behind the Summary Budget Form (ED 524).

Use the Other Budget Information Form (ED 851S-5) to explain those costs that are common to all activities. Include the following:

- The basis for the estimated annual increments of salaries calculated for personnel in subsequent years under the grant;
- The basis for the percentage of fringe benefits claimed, including the elements involved in the fringe benefits calculation, and the difference, if any, between fringe benefits for administrators, faculty, temporary employees, students, etc.;
- Institutional policies regarding travel costs, within and out-of-state, including the basis for calculating the per diem rates;
- Institutional policies governing procurement procedures for the purchase of equipment and supplies, including policies on competitive bidding; and
- Institutional policies and procedures governing the selection and payment of consultants.
- Provide details for the use of grant monies for the establishment or development of the institution's endowment fund, if applicable.

<b>GRANT APPLICATION FOR THE HISPANIC-SERVING INSTITUTIONS PROGRAM</b> Title V, Higher Education Act of 1965, as amended	Form Approved: OMB No. 1840-0745 Exp. Date:
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<b>OTHER BUDGET INFORMATION FOR SUMMARY BUDGET</b>
--

<b>1. Name of Applicant Institution:</b>	<b>2. Activity Title:</b>
<b>3. Remarks:</b>	

**ED Form 851S-6**

## Hispanic-Serving Institutions Assurance

The statute governing the Hispanic-Serving Institutions Program, (Title V, of the Higher Education Act of 1965, as amended,) requires to the applicant to provide an assurance to the following:

The applicant has, at the time of application, an enrollment of undergraduate full-time equivalent (FTE) students that is at least twenty- five percent (25%) Hispanic students; and, that not less than 50 percent of its Hispanic students are low-income individuals. Low-income is defined in Section 502(a)(7) of the program statute.

Specifically:

---

Total Undergraduate FTE Enrollment Count

---

Hispanic Undergraduate FTE Enrollment Count

---

Hispanic Low-Income Student Count

---

Percent of Hispanic Enrollment of Undergraduate Students

---

Percent of Hispanic Low-Income Undergraduate Students

---

Typed Name of Institution

---

Signature of President of the Institution

---

Typed Name and Title of Signatory

---

Date

---

---

**ED FORM 851S-7**



## CERTIFICATION REGARDING COLLABORATIVE ARRANGEMENT

This certification is required by the legislation implementing Section 511(d) of Title V of the Higher Education Act of 1965, as amended. The Secretary requests this information to use in establishing priorities for funding. The certification shall be treated as a material representation of fact upon which the Department of Education will rely in making a determination to award a grant.

PRIORITY. – The Secretary shall give priority to an application that contains satisfactory evidence that the Hispanic-serving institution has entered into or will enter into a collaborative arrangement with at least one local education agency or community-based organization to provide such agency or organization with assistance (from funds other than funds provided under this title) in reducing dropout rates, improving rates of academic achievement for students, and increasing the rates at which Hispanic secondary school graduates enroll in higher education.

1. Describe the terms of the agreement:

---

---

---

2. Describe the role of the applicant institution:

---

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---

3. Define the objectives of this agreement.

---

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---

PRINTED NAME AND TITLE OF AUTHORIZED IHE REPRESENTATIVE

---

SIGNATURE

DATE

As duly authorized representative of the LEA, I certify that the LEA has entered into a collaborative arrangement with the applicant institution.

---

PRINTED NAME AND TITLE OF AUTHORIZED LEA OR COMMUNITY BASED ORGANIZATION  
REPRESENTATIVE

---

SIGNATURE

DATE

**ED FORM 851S-8**

## Endowment Fund Assurance

The institution of higher education proposes to use no more than twenty percent (20%) of the Developing Hispanic-Serving Institutions Program development grant award, made under the authority of Title V, of the Higher Education Act of 1965, as amended to establish or increase the institution's endowment fund.

The institution agrees to abide by the Department of Education's regulations governing the Endowment Challenge Grant Program, 34 CFR Part 628, the program statute, and the program regulations, 34 CFR Part 607.

The institution further agrees to raise the required matching funds.

---

Typed Name of Institution of Higher Education

---

Signature of President or Chief Executive

---

Date

---

Typed Name and Title of Signatory

---

Signature of Treasurer or Chief Financial Officer

---

Date

---

Typed Name and Title of Signatory

**FORM ED 851S-9**

**CERTIFICATIONS REGARDING LOBBYING; DEBARMENT, SUSPENSION AND OTHER  
RESPONSIBILITY MATTERS; AND DRUG-FREE WORKPLACE REQUIREMENTS**

Applicants should refer to the regulations cited below to determine the certification to which they are required to attest. Applicants should also review the instructions for certification included in the regulations before completing this form. Signature of this form provides for compliance with certification requirements under 34 CFR Part 82, "New Restrictions on Lobbying, and 34 CFR Part 85, Government-wide Debarment and Suspension (Nonprocurement) and Government-wide Requirements for Drug-Free Workplace (Grants)." The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of Education determines to award the covered transaction, grant, or cooperative agreement.

---

**1. LOBBYING**

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 34 CFR Part 82, for persons entering into a grant or cooperative agreement over \$100,000, as defined at 34 CFR Part 82, Sections 82.105 and 82.110, the applicant certifies that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement;

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;

(c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subgrants, contracts under grants and cooperative agreements, and subcontracts) and that all subrecipients shall certify and disclose accordingly.

**2. DEBARMENT, SUSPENSION, AND OTHER  
RESPONSIBILITY MATTERS**

As required by Executive Order 12549, Debarment and Suspension, and implemented at 34 CFR Part 85, for prospective participants in primary covered transactions, as defined at 34 CFR Part 85, Sections 85.105 and 85.110--

A. The applicant certifies that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this application been convicted of or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or

contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application had one or more public transaction (Federal, State, or local) terminated for cause or default; and

B. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

**3. DRUG-FREE WORKPLACE  
(GRANTEES OTHER THAN INDIVIDUALS)**

As required by the Drug-Free Workplace Act of 1988, and implemented at 34 CFR Part 85, Subpart F, for grantees, as defined at 34 CFR Part 85, Sections 85.605 and 85.610 -

A. The applicant certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an on-going drug-free awareness program to inform employees about-

(1) The dangers of drug abuse in the workplace;

(2) The grantee's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will-

(1) Abide by the terms of the statement; and



(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency, in writing, within 10 calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to: Director, Grants Policy and Oversight Staff, U.S. Department of Education, 600 Independence Avenue, SW (Room 3652, GSA Regional Office Building No. 3), Washington, DC 20202-4248. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted-

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

Check ☐ if there are workplaces on file that are not identified here.

**DRUG-FREE WORKPLACE  
(GRANTEES WHO ARE INDIVIDUALS)**

As required by the Drug-Free Workplace Act of 1988, and implemented at 34 CFR Part 85, Subpart F, for grantees, as defined at 34 CFR Part 85, Sections 85.605 and 85.610-

A. As a condition of the grant, I certify that I will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant; and

B. If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, I will report the conviction, in writing, within 10 calendar days of the conviction, to: Director, Grants Policy and Oversight Staff, Department of Education, 600 Independence Avenue, SW (Room 3652, GSA Regional Office Building No. 3), Washington, DC 20202-4248. Notice shall include the identification number(s) of each affected grant.

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above certifications.

NAME OF APPLICANT	PR/AWARD NUMBER AND / OR PROJECT NAME
PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	
SIGNATURE	DATE

## **Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transactions**

This certification is required by the Department of Education regulations implementing Executive Order 12549, Debarment and Suspension, 34 CFR Part 85, for all lower tier transactions meeting the threshold and tier requirements stated at Section 85.110.

### **Instructions for Certification**

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
4. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion-Lower Tier Covered Transactions, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may but is not required to, check the Nonprocurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

## INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitations for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Included prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.  
  
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

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According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503

## Disclosure of Lobbying Activities

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352  
(See reverse for public burden disclosure)

<b>1. Type of Federal Action:</b> a. contract _____ b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	<b>2. Status of Federal Action:</b> a. bid/offer/application _____ b. initial award c. post-award	<b>3. Report Type:</b> a. initial filing _____ b. material change  <b>For material change only:</b> Year _____ quarter _____ Date of last report _____
<b>1. Name and Address of Reporting Entity:</b> _____ Prime      _____ Subawardee Tier _____, if Known:   <b>Congressional District, if known:</b>		<b>2. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:</b>     <b>Congressional District, if known:</b>
<b>6. Federal Department/Agency:</b>	<b>7. Federal Program Name/Description:</b>   CFDA Number, if applicable: _____	
<b>8. Federal Action Number, if known:</b>	<b>9. Award Amount, if known:</b>  \$	
<b>10. a. Name and Address of Lobbying Registrant</b> <i>(if individual, last name, first name, MI):</i>	<b>b. Individuals Performing Services</b> <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i>	
<b>11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.</b>	<b>Signature:</b> _____  <b>Print Name:</b> _____  <b>Title:</b> _____  <b>Telephone No.:</b> _____ <b>Date:</b> _____	
<b>Federal Use Only</b>	<b>Authorized for Local Reproduction</b> <b>Standard Form - LLL (Rev. 7-97)</b>	

## DISCLOSURE OF LOBBYING ACTIVITIES CONTINUATION SHEET

Reporting Entity: \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_

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## ASSURANCES- NON-CONSTRUCTION PROGRAMS

**Note:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management, and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States, and if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4728-4763) relating to prescribed standards for merit systems for programs funded under one of the nineteen statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.), as amended, relating to non-discrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply with the provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. 276a to 276a-7), the Copeland Act (40 U.S.C. 276c and 18 U.S.C. 874) and the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), regarding labor standards for federally assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood

insurance if the total cost of insurable construction and acquisition is \$10,000 or more.

11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq); (f) conformity of Federal actions to State (Clear Air) Implementation Plans under Section 176(c) of the Clear Air Act of 1955, as amended (42 U.S.C.7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, (P.L., 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended, (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1721 et seq) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. 469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. 2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq.) which prohibits the use of lead based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act of 1984.
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations and policies governing this program.

Signature of Authorized Certifying Official	Title	
Applicant Organization		Date Submitted

## **Executive Order 12372**

### **Intergovernmental Review of Federal Programs**

This appendix applies to each program that is subject to the requirements of Executive Order 12372 (Intergovernmental Review of Federal Programs) and the regulations in 34 CFR part 79.

The objective of the Executive order is to foster an intergovernmental partnership and to strengthen federalism by relying on State and local processes for State and local government coordination and review of proposed Federal financial assistance.

Applicants must contact the appropriate State Single Point of Contact to find out about, and to comply with, the State's process under Executive Order 12372. Applicants proposing to perform activities in more than one State should immediately contact the Single Point of Contact for each of those States and follow the procedure established in each of those States under the Executive order. A listing containing the Single Point of Contact for each State is included in this appendix.

In States that have not established a process or chosen a program for review, State, areawide, regional, and local entities may submit comments directly to the Department.

Any State Process Recommendation and other comments submitted by a State Single Point of Contact and any comments from State, areawide, regional, and local entities must be mailed or hand-delivered by the date indicated in the actual application notice to the following address: The Secretary, EO 12372--CFDA# [commenter must insert number--including suffix letter, if any], U.S. Department of Education, room 6213, 600 Independence Avenue, SW., Washington, DC 20202-0124.



## STATE SINGLE POINTS OF CONTACT

**Note:** In accordance with Executive Order #12372, this listing represents the designated State Single Points of Contact. Because participation is voluntary, some States and Territories no longer participate in the process. These include: Alabama, Alaska, American Samoa, Colorado, Connecticut, Hawaii, Idaho, Kansas, Louisiana, Massachusetts, Minnesota, Montana, Nebraska, New Jersey, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Tennessee, Vermont, Virginia, and Washington.

The jurisdictions not listed no longer participate in the process. However, an applicant is still eligible to apply for a grant or grants even if its respective State, Territory, Commonwealth, etc. does not have a State Single Point of Contact.

### ARIZONA

Ms. Joni Saad  
Arizona State Clearinghouse  
3800 N. Central Avenue  
Fourteenth Floor  
Phoenix, Arizona 85012  
Telephone: (602) 280-1315  
FAX:  
[jonis@ep.state.az.us](mailto:jonis@ep.state.az.us)

### ARKANSAS

Mr. Tracy L. Copeland  
Manager, State Clearinghouse  
Office of Intergovernmental Services  
Department of Finance and Administration  
1515 W. 7th Street, Room 412  
Little Rock, Arkansas 72203  
Telephone: (501) 682-1074  
FAX: (501) 682-5206  
[tlcopeland@dfa.state.ar.us](mailto:tlcopeland@dfa.state.ar.us)

### CALIFORNIA

Grants Coordinator  
State Clearinghouse  
Office of Planning & Research  
1600 Ninth Street, Room 250  
Sacramento, California 95814  
Telephone: (916) 323-7480  
FAX: (916) 323-3018  
No e-mail address

### DELAWARE

Ms. Francine Booth  
State Single Point of Contact  
Executive Department  
Office of the Budget  
540 S. Dupont Highway  
Suite 5  
Dover, Delaware 19903  
Telephone: (302) 739-3326  
FAX: (302) 739-5661  
[fbooth@state.de.us](mailto:fbooth@state.de.us)

### DISTRICT OF COLUMBIA

Mr. Ron Seldon  
State Single Point of Contact  
Office of Grants Mgmt. & Development  
717 14th Street, N.W. - Suite 400  
Washington, D.C. 20005  
Telephone: (202) 727-6537  
FAX: (202) 727-1617  
[rseldon-ogmd@dcm.gov](mailto:rseldon-ogmd@dcm.gov)

### KENTUCKY

Mr. Kevin J. Goldsmith, Director  
Sandra Brewer, Executive Secretary

### FLORIDA

Florida State Clearinghouse  
Department of Community Affairs  
22740 Centerview Drive  
Tallahassee, Florida 32399-2100  
Telephone: (904) 922-5438  
FAX: (904) 487-2899  
(602) 280-8144 Contact: Ms. Cherie Trainor  
Telephone: (850) 414-5495  
[cherie.trainor@dca.state.fl.us](mailto:cherie.trainor@dca.state.fl.us)

### GEORGIA

Ms. Deborah Stephens  
Coordinator  
Georgia State Clearinghouse  
270 Washington Street, S.W. - 8th Floor  
Atlanta, GA 30334  
Telephone: (404) 656-3855  
Telephone: (404) 656-3855  
FAX: (404) 656-7901  
[ssda@mail.opb.state.ga.us](mailto:ssda@mail.opb.state.ga.us)

### ILLINOIS

Ms. Virginia Bova, Single Point of Contact  
Illinois Department of Commerce and  
Community Affairs  
James R. Thompson Center  
100 West Randolph, Suite 3-400  
Chicago, IL 60601  
Telephone: (312) 814-6028  
FAX: (312) 814-1800  
No e-mail address

### INDIANA

Ms. Frances Williams  
State Budget Agency  
212 State House  
Indianapolis, Indiana 46204-2796  
Telephone: (317) 232-2972  
FAX: (317) 233-3323  
No e-mail address

### IOWA

Mr. Steven R. McCann  
Division for Community Assistance  
Iowa Department of Economic  
Development  
200 East Grand Avenue  
Des Moines, Iowa 50309  
Telephone: (515) 242-4719  
FAX: (515) 242-4809  
[steve.mccann@ided.state.ia.us](mailto:steve.mccann@ided.state.ia.us)

### MISSOURI

Ms. Lois Pohl  
Federal Assistance Clearinghouse

Intergovernmental Affairs  
Office of the Governor  
700 Capitol Avenue  
Frankfort, Kentucky 40601  
Telephone:  
FAX:  
[kgoldmkgosmith@mail.state.ky.us](mailto:kgoldmkgosmith@mail.state.ky.us)  
[Sbrewer@mail.state.ky.us](mailto:Sbrewer@mail.state.ky.us)

#### MAINE

Ms. Joyce Benson  
State Planning Office  
184 State Street  
38 State House Station  
Augusta, Maine 04333  
Telephone:  
FAX: (207) 287-6489  
[joyce.benson@state.me.us](mailto:joyce.benson@state.me.us)

#### MARYLAND

Ms. Linda Janey  
Manager, Plan & Project Review  
Maryland Office of Planning  
301 W. Preston Street - Room 1104  
Baltimore, Maryland 21201-2365  
Staff Contact: Linda Janey  
Telephone: (410) 767-4490  
FAX: (410) 767-4480  
[linda@mail.op.state.md.us](mailto:linda@mail.op.state.md.us)

#### MICHIGAN

Mr. Richard Pfaff  
Southeast Michigan Council of Governments  
660 Plaza Drive - Suite 1900  
Detroit, Michigan 48226  
Telephone: (313) 961-4266  
FAX: (313) 961-4869  
[pfaff@semcog.org](mailto:pfaff@semcog.org)

#### MISSISSIPPI

Ms. Cathy Mallette  
Clearinghouse Officer  
Department of Finance and Administration  
550 High Street  
303 Walters Sillers Building  
Jackson, Mississippi 39302-3087  
Telephone: (601) 359-6762  
FAX: (601) 359-6758  
No e-mail address

#### NORTH CAROLINA

Ms. Jeanette Furney  
North Carolina Department  
of Administration  
116 West Jones Street - Suite 5106  
Raleigh, North Carolina 27603-8003  
Telephone: (919) 733-7232  
FAX: (919) 733-9571  
[jeanette\\_furney@mail.doa.state.nc.us](mailto:jeanette_furney@mail.doa.state.nc.us)

#### NORTH DAKOTA

North Dakota Single Point of Contact  
Office of Intergovernmental Assistance  
600 East Boulevard Avenue  
Department 105

Office of Administration  
P.O. Box 809  
Jefferson Building, 9th Floor  
Jefferson City, Missouri 65102  
(502) 564-2611 Telephone: (314) 751-4834  
(502) 564-0437 FAX: (314) 751-7819  
No e-mail address

#### NEVADA

Department of Administration  
State Clearinghouse  
209 E. Musser Street, Room 220  
Carson City, Nevada 89710  
Telephone: (702) 687-4065  
FAX: (702) 687-3983  
(207) 287-3261 Contact: Ms. Heather Elliot  
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**Note:** This list is based on the most current information provided by the States. Information on any changes or apparent errors should be provided to Sherron Duncan (Telephone (202) 395-3120) at the Office of Management and Budget and to the State in question. Changes to the list will only be made upon formal notification by the State. The list is also published biannually in the Catalog of Federal Domestic Assistance.



## **NOTICE TO ALL APPLICANTS**

Thank you for your interest in this program. The purpose of this enclosure is to inform you about a new provision in the Department of Education's General Education Provisions Act (GEPA) that applies to applicants for new grant awards under Department programs. This provision is section 427 of GEPA, enacted as part of the Improving America's Schools Act of 1994 (Pub. L. 103-382).

### **To Whom Does This Provision Apply?**

Section 427 of GEPA affects applicants for new discretionary grant awards under this program. **ALL APPLICANTS FOR NEW AWARDS MUST INCLUDE INFORMATION IN THEIR APPLICATIONS TO ADDRESS THIS NEW PROVISION IN ORDER TO RECEIVE FUNDING UNDER THIS PROGRAM.**

### **What Does This Provision Require?**

Section 427 requires each applicant for funds (other than an individual person) to include in its application a description of the steps the applicant proposes to take to ensure equitable access to, and participation in, its federally assisted program for students, teachers, and other program beneficiaries with special needs.

This section allows applicant discretion in developing the required description. The statute highlights six types of barriers that can impede equitable access or participation that you may address: gender, race, national origin, color, disability, or age. Based on local circumstances, you can determine whether these or other barriers may prevent your students, teachers, etc. from equitable access or participation. Your description need not be lengthy; you may provide a clear and succinct description of how you plan to address those barriers that are applicable to your circumstances. In addition, the information may be provided in a single narrative, or, if appropriate, may be discussed in connection with related topics in the application.

Section 427 is not intended to duplicate the requirements of civil rights statutes, but rather to ensure that, in designing their projects, applicants for Federal funds address equity concerns that may affect the ability of certain potential beneficiaries to fully participate in the project and to achieve to high standards. Consistent with program requirements and its approved application, an applicant may use the Federal funds awarded to it to eliminate barriers it identifies.

### **What are Examples of How an Applicant Might Satisfy the Requirement of This Provision?**

The following examples may help illustrate how an applicant may comply with section 427.

- (1) An applicant that proposes to carry out an adult literacy project serving, among others, adults with limited English proficiency, might describe in its application how it intends to distribute a brochure about the proposed project to such potential participants in their native language.
- (2) An applicant that proposes to develop instructional materials for classroom use might describe how

it will make the materials available on audio tape or in braille for students who are blind.

(3) An applicant that proposes to carry out a model science program for secondary students and is concerned that girls may be less likely than boys to enroll in the course, might indicate how it intends to conduct "outreach" efforts to girls, to encourage their enrollment.

We recognize that many applicants may already be implementing effective steps to ensure equity of access and participation in their grant programs, and we appreciate your cooperation in responding to the requirements of this provision.

### **Estimated Burden Statement**

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1801-0004 (Exp. 8/31/98). The time required to complete this information collection is estimated to vary from 1 to 3 hours per response, with an average of 1.5 hours, including the time to review instructions, search existing data resources, gather and maintain the data needed, and complete and review the Information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, DC 20202-4651.

## **THE GOVERNMENT PERFORMANCE AND RESULTS ACT (GPRA)**

### What is GPRA?

The Government Performance and Results Act of 1993 (GPRA) is a straightforward statute that requires all federal agencies to manage their activities with attention to the consequences of those activities. Each agency is to clearly state what it intends to accomplish, identify the resources required, and periodically report their progress to the Congress. In so doing, it is expected that the GPRA will contribute to improvements in accountability for the expenditures of public funds, improve Congressional decision making through more objective information on the effectiveness of federal programs, and promote a new government focus on results, service delivery, and customer satisfaction.

### How has the Department of Education responded to the GPRA requirements?

As required by GPRA, the Department of Education has prepared a strategic plan for 1998-2002. This plan reflects the Department's priorities and integrates them with its mission and program authorities and describes how the Department will work to improve education for all children and adults in the U.S. The Department's goals, as listed in the plan, are:

Goal 1: Help all students reach challenging academic standards so that they are prepared for responsible citizenship; further learning, and productive employment.

Goal 2: Build a solid foundation for learning for all children.

Goal 3: Ensure access to postsecondary education and lifelong learning

Goal 4: Make the Department of Education a high performance organization by focusing on results, service quality, and customer satisfaction.

The performance indicators for the Title V, Developing Hispanic Serving Institutions Program complement the Department's plan for meeting Goal 1 and Goal 3.

How does the Title V -HSI Program Fit Into GPRA?

The Education Department's Strategic Plan includes specific goals for the Title V, Developing Hispanic Serving Institutions Program . These are to expand educational opportunities for, and improve the academic attainment of Hispanic students; and expand and enhance the academic offerings, program quality, and institutional stability of Hispanic colleges. The specific performance indicators established in the Department's Strategic Plan for Title V are as follows:

**Objective: Improve academic quality of participating institutions.**

**Indicator: Faculty development.** The number and percent of faculty participating in Title V-funded development activities will increase over time.

**Indicator: Access to Technology.** The number and percent of students gaining access to computers and the Internet due to Title V-funded activities will increase over time.

**Objective: Improve fiscal stability of participating institutions.**

**Indicator: Development offices.** The number and percent of development offices using grant funds to increase revenues will increase over prior years.

**Indicator: Fiscal balances.** The fiscal balance of Title V-funded institutions will continue to remain positive.

**Objective: Improve access of low-income and minority students to Title V-funded institutions.**

**Indicator: Enrollment of low-income minority students.** The number and percent of low-income and minority students will remain stable or increase over time.

**Indicator: Degree Attainment.** The number and percent of degrees awarded to minority students at Title V-funded institutions will remain stable or increase over time.

**Objective: Improve physical plants with the use of grant funding.**

**Indicator: Improved physical plants.** The number of instructional improvements and renovations using Title V funding will increase over time.

Sources of data for the Title V performance indicators include the annual performance reports, initial comprehensive development plans, IPEDS, and final reports. More information will be provided on your role in the future.



## APPLICATION TRANSMITTAL INSTRUCTIONS

An application for an award must be mailed or hand delivered by the closing date.

### Applications Sent by Mail

An application sent by mail must be addressed to the U.S. Department of Education, Application Control Center room 3633, Attention: CFDA 84.031S (be sure to include the correct alpha and numeric description – e.g., (84.031S), 7<sup>th</sup> and D Street, S.W., Washington, D.C. 20202-4725.

An application must show proof of mailing consisting of one of the following:

- (1) A legibly dated U.S. Postal Service Postmark.
- (2) A legible mail receipt with the date of mailing stamped by the U.S. Postal Service.
- (3) A dated shipping label, invoice, or receipt from a commercial carrier.
- (4) Any other proof of mailing acceptable to the U.S. Secretary of Education.

If an application is sent through the U.S. Postal Service, the Secretary does not accept either of the following as proof of mailing:

- (1) A private metered postmark or
- (2) A mail receipt that is not dated by the U.S. Postal Service.

An applicant should note that the U.S. Postal Service does not uniformly provide a dated postmark. Before relying on this method, an applicant should check with its local post office.

An applicant is encouraged to use registered or at least first-class mail.

Each late applicant will be notified that its application will not be considered.

### Applications Delivered by Hand/Courier Service

An application that is hand delivered must be taken to the U.S. Department of Education, Application Control Center, Room 3633, General Services Administration National Capital Region, 7<sup>th</sup> and D Streets, S.W., Washington, D.C. 20202-4725.

The Application Control Center will accept deliveries between 8:00 a.m., and 4:00 p.m. (Washington, D.C. time) daily, except Saturdays, Sundays, and Federal holidays.

Individuals delivering applications must use the D Street Entrance. Proper identification is necessary to enter the building.

In order for an application sent through a Courier Service to be considered timely, the Courier Service must be in receipt of the application on or before the closing date.

## GRANT APPLICATION RECEIPT ACKNOWLEDGMENT

If you fail to receive the notification of application receipt within fifteen (15) days from the closing date, call:

U.S. Department of Education  
Application Control Center  
(202) 708-9493

## GRANT AND CONTRACT FUNDING INFORMATION

The Department of Education provides information about grant and contract opportunities electronically in several ways:

<b>ED Internet Home Page</b>	<a href="http://www.ed.gov/">http://www.ed.gov/</a>	<b>(WWW address)</b>
	<a href="Gopher://gopher.ed.gov/">Gopher://gopher.ed.gov/</a>	<b>(Gopher address)</b>
<b>OCFO Web Internet Page</b>	<a href="http://ocfo.ed.gov/">http://ocfo.ed.gov/</a>	<b>(WWW address)</b>

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WASHINGTON, D.C. 20202-4725

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